Seed Advisory Board Meeting
Stanislaus County Agricultural Center
3800 Cornucopia Way
Modesto, CA 95358

8:30 AM, Wednesday May 7, 2014

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1. Call to Order – Roll call

Chairman Frey called the meeting to order at 8:31 am. The following members and guests were present:

Kelly Keithly*	Bill White*	Greg Meyer
Bob Prys*	George Hansen*	John Heaton
John McShane*	Greg Orsetti*	Joshua Kress
Marc Meyer*	Anne Megaro	Kent Bradford
Paul Frey*	Marilyn Kinoshita	Cathy Vue
Larry Hirahara*	Betsy Peterson	
Michael Campbell*	Deborah Meyer	

* Denotes a Seed Advisory Board Member.

2. Oath for new and reappointed members

New member Greg Orsetti received a copy of the Bagley-Keane Act. Reappointed and newly appointed members completed and signed their oaths.

3. Form 700 and Incompatible activities policy review

Seven Seed Advisory Board members previously completed their Form 700s. John Heaton reviewed the requirement to complete the Form 700 and provided copies of the Form 700 to the five remaining Board members that still needed to submit a signed Form 700.

4. Review/accept minutes of November 14, 2013 meeting

Member Kelly Keithly motioned for approval of the minutes as presented. John McShane seconded the motion. Motion carried.

5. Seed Biotechnology Center Report

Dr. Kent Bradford presented a brief PowerPoint to summarize the activities and finances of the SBC during the last year. Some of the key points were:

- Research Projects on
    - Spinach
    - Cotton
    - Lettuce
    - Eggplant
    - Pepper
    - Carrot
    - Tomato
    - Drying beads
- Classes already offered in 2014
    - Seed Business 101 – one course was offered prior the ASTA meeting held in Monterey during January 2014 and one course immediately after.
    - Breeding with Genomics – was offered February 11-13, 2014 in Davis.
- Upcoming Courses
    - Seed Business 101 – to be offered June 2-6, 2014 in Coralville, Iowa and December 5-9, 2014 in Chicago, Ill.
    - Program Management for Plant Breeders to be offered Sept. 16-18, 2014 in Davis, CA
    - Seed Business 101 – Horticulture to be offered Dec. 8-12, 2014
    - Plant Breeding Academy*
        - Class IV of Davis and Class 1 of Asian PBA will graduate in June.
        - Class V of Davis will begin Sept. 2014
        - EU Class III started Oct. 2014
        - African PBA in association with African Crops Consortium started in December 2013.

      * 188 participants from 46 different plant breeding organizations in 41 different countries have been trained.
- Significant Developments
    - Dr. Charlie Brummer has been hired as the Director of the Plant Breeding Center.
    - A Vegetable Research and Development Forum was held in April to identify emerging issues and possible collaborative efforts.
    - Roger Beachy gave his first presentation as director of the World Food Center at the Seed Central Forum held January 9, 2014.
    - On May 8, 2014 Seed Central will conduct a special session on the application and regulation of genome editing technologies in agriculture and other areas.
    - Seed Central continues to move ahead in three key areas:
        - Corporate affiliate partnership program
        - Collaborative research lab
        - Numerous student outreach programs including the AA Seed Technician Program with Hartnell and Yolo Community Colleges.
    - Explore possibility of housing the Collaboration for Plant Pathogen Strain Identification (CPPSI) at the Seed Biotechnology Center.
- SBC Financials (attachment 1)

6. Out of State Travel Proposals

John Heaton presented five out of state trips totaling $11,725 for FY2015 (attachment 2). Marc Meyer motioned for the Board to recommend approval of the proposed travel blanket. Larry Hirahara seconded the motion. Motion carried.

7. **Summary of recent activities by the Seed Services Program**

John Heaton presented brief summaries of the following items.

- **Follow-up Determination of Assessment Fund Uses**
  - Per the Board's prior request, Heaton drafted a formal legal referral form and submitted it to the CDFA legal unit for analysis.
  - Since communications between Programs and Counsel are confidential, Heaton was unable to share the written reply but he did summarize the analysis in a letter he wrote to the Board (attachment 3). The main points were:
    - Assessments and fees collected for enforcement of the seed law are not limited to funding the testing of official seed samples.
    - The Department must use the funds to carry out the purposes of the entire seed law, which includes preventing the spread of noxious weed seeds.
- **ASTA Task Force Meeting – Chicago**
  - Member Kelly Keithly and John Heaton attended a Task Force meeting held during January 2014 in Chicago by the American Seed Trade Association (ASTA). The purpose of the meeting was to discuss strategies for improving the consistency of results from tests performed on seed samples by public and private seed laboratories. Participants noted the need for the development of rules to test seeds of native plant species. Heaton noted that native seeds are a very large market since the largest purchaser of seeds in the U.S. is the Bureau of Land Management (BLM). He provided a map (attachment 4) showing the percentage of land in each state that is considered federal land and managed by the BLM.
  - Accreditation and auditing by qualified individuals or organizations were identified as important strategies for improving consistency of lab tests.
  - Participants recognized the need for input by experts to develop rules and implement strategies that can lead to more consistent lab results. They also advocated for greater support of professional organizations such as the Association of Seed Analysts, the Society of Commercial Seed Technologists and the Association of American Seed Control Officials.
  - Heaton presented an audit strategy he is developing for the AASCO Accredited Seed Sampler Trainer Program (attachment 5). He is hopeful that individuals certified by AASCO to sample seeds will submit duplicate seed samples to the CDFA Seed Services Program for audit of sampling methods and comparison of results with private seed labs. He explained that such samples would be considered regulatory since they contribute to an orderly marketing of seeds in California. They would not be considered official samples that the Seed Services Program can take enforcement actions on. Heaton added that he believes the audit strategy will make the accreditation program more valid and be considerably less expensive than audits performed on samplers of entities accredited by the International Seed Testing Association (ISTA).

- **Summary of Rule Proposals by CDFA Lab**
    - Heaton provided excerpts from a report prepared by Deborah Meyer which graphically compared the percentage of AOSA Rule Change Proposals submitted by the CDFA seed lab to proposals from other sources during 1998 through 2013 (attachments 6 and 7). He commented that the summary illustrates how important it is to have experienced seed botanists who can develop seed testing rules that are urgently needed by the industry. Heaton stated it is not realistic to expect many rules to be proposed by private labs since the development of rules is not normally a major component of their business models. The support of public seed labs is critical for the implementation of strategies identified by ASTA to address inconsistencies of seed lab results.
- **AASCO Survey of SCOs about labs**
  On behalf of AASCO, Heaton sent a brief survey to state seed control officials throughout the U.S. He informed the Board that he shared the results (attachment 8) with the ASTA immediately after the Task Force meeting in Chicago. Heaton observed that the number of official samples annually tested by the CDFA lab is in the mid-range of what was reported by other state labs. He also noted that funding and staffing are in the mid-range level despite the majority of proposed rules being drafted by CDFA lab staff. Heaton believes the survey indicates there is reduced support for retaining experienced staff in public labs; a development that should be of great concern to the industry.

- **CDFA Survey of Industry about Accreditation (attachment 9)**
  Five hundred and forty-one surveys were sent by mail to firms authorized to sell seed in California. The overall response rate was very good, with 42% of firms responding. Approximately 25% of the respondents were in support of the California seed lab seeking accreditation from USDA. Heaton noted that one outcome of the ASTA Task Force meeting in Chicago, is that ASTA will encourage public and private seed labs to seek accreditation as a strategy to provide standardization. They are hopeful that such lab accreditation will lead to more consistent lab test results.

  Kelly Keithly motioned for the Board to recommend the CDFA lab seek accreditation by USDA and ISTA.

  Deborah Meyer informed the Board that the cost for USDA accreditation is approximately $5,000 plus travel expenses for auditors. The cost for ISTA accreditation is considerably higher.

  After some discussion member Keithly modified his motion and made the recommendation that the CDFA lab seek accreditation by USDA first and later explore the possibility of obtaining accreditation from ISTA.

  John McShane seconded the motion. Motion carried.

- **AASCO Audit with SCOs of Sampler Trainers**
  John Heaton reported on the implementation of an audit system for AASCO Accredited Seed Sampler Trainers and the individuals they train, test and certify to sample seeds in California. Individuals certified by an AASCO Accredited Seed Sampler Trainer use the AOSA rules for seed sampling, which are presented in the AASCO Handbook on Seed Sampling. Heaton provided the Board a copy of a tentative letter (attachment 5) that will be sent to certified seed samplers. The letter requests a duplicate seed sample for testing in the CDFA seed laboratory. He explained that by comparing the results from the CDFA lab with results for the original seed samples submitted to other seed labs, it might be possible to identify deficiencies at the sampling level and testing level. He is optimistic that such strategies from organizations such as AASCO will assist the industry to achieve more consistent lab results while reducing the number of issues enforcement officials must deal with.

  Heaton reported that so far the program is a huge success. Alex Mkandawire of the California Crop Improvement Association obtained status as an AASCO Accredited Seed Sampler Trainer and has trained nearly 135 individuals from private seed companies and 15 biologists from California counties. The audit procedures that Heaton is attempting to implement will add a critical piece to the AASCO Accredited Seed Sampler Trainer Program. Only through regular audits, will the system be considered valid and effective. Heaton emphasized that the Accredited Seed Sampler Trainer Program is just one reason why it's extremely important for state employees to have the support of industry while they attempt to develop practical solutions to real problems.

- **USDA Seed Health Summit ASTA Vegetable Flower Conference – Seed Diseases**
  Heaton reported that he attended the 53rd ASTA Vegetable and Flower Seed Conference held January 27th and 28th 2014 in Monterey, California. He provided the Board with a summary report (attachment 10) that he prepared as the representative for AASCO. Items of interest during the Phytosanitary Committee were:

  - A summary of year to date detections and enforcements for the Federally actionably pest, Cucumber Green Mottled Mosaic Virus (CGMMV) and the state actionable pest Bacterial Fruit Blotch (BFB). The Committee was supportive of research for quarantine treatments as well as for field decontamination.

  - A discussion about the need for greater regulation of imported seeds; mainly to prevent the introduction of undesirable seed borne pathogens and the need for costly quarantine responses by officials. USDA officials announced that they are scheduling a Seed Health Summit at Riverdale Maryland from July 15 – 17, 2014 to discuss the issue further. Participants will include USDA-APHIS, representatives from the National

Seed Health System (NSHS) and State Plant Regulating Officials (SPROs).

Heaton provided a copy (attachment 11) of a recent publication from the USDA APHIS announcing a proposal to adjust agricultural quarantine inspection (AQI) fees. Key points of the publication were:

- As volumes of international trade and travel increase, so do the risks that foreign animal and plant pests and diseases can enter and establish themselves in the United States.
- AQI develops the import regulations that protect U.S. animal and plant health from foreign pests.
- Current fees on passengers do not generate sufficient revenue to cover the costs of inspection services.
- A revision of user fees will cover the costs of ongoing Customs and Border Protection inspection activities that are now supported through taxpayer funds.

Member John McShane recommended the Board make it known that they are supportive of California officials attending the Seed Health Summit in Riverdale. Member Bob Prys seconded the motion. Motion carried.

- **Noxious Weeds Seeds Update**
  Heaton provided a summary (attachment 12) of recent efforts by the Department to initiate a regulatory change about noxious weeds in the quarantine law and prohibited and restricted weed seeds in the seed law.

  He briefly explained that all plant species designated as noxious weeds by the Secretary must be further categorized as either prohibited or restricted seeds when they occur incidentally in planting seed. He emphasized that the regulatory change is important because it remedies a liability the Department can face if officials enforcing the seed law clear a seed lot with noxious weeds seed but officials enforcing the quarantine law later seize or abate the seed lot for presence of noxious weed seed.

  The regulatory change will update the present list of noxious weeds to 181 species. Sixty six of the species will be categorized as prohibited weed weeds in the seed law, while the remaining 115 will be listed as restricted weed seeds in the seed law.

  Heaton reviewed the analysis he performed to determine how the regulatory change might affect seed labelers. He did not believe the proposed changes will cause significant cost increases to labelers or result in more enforcements.

Member Kelly Keithly motioned for the Board to formalize their support of the proposed regulatory change concerning noxious weeds. Member Bob Prys seconded the motion. Motion carried.

- **Business Needs or Value Chain Analysis**

John Heaton explained that in the past two years, the Board has conducted several meetings to discuss industry needs, with consideration of the program's structure and funding of operations. He explained recommendations from the Board are valued by the Department and implemented as much as possible. As evidence, he provided a handout (attachment 13) that summarized recommendations from a November 2003 strategic planning meeting. He noted that nearly all of the recommendations were implemented and for the most part resulted in an improved program.

The idea of a Business Needs Analysis for the CDFA Seed Program was recently suggested. There have been three meetings in the Department to discuss the value of such an undertaking. In one meeting, it was suggested that perhaps the Program would benefit from a Value Chain Analysis rather than a Business Needs Analysis. Heaton noted he does not have direct knowledge about the process for conducting such analyses but his understanding is that both kinds of analyses involve the identification of activities performed by the various entities delivering services for the Seed Services Program. Although many of the activities have already been identified in recent meetings, Heaton provided a handout (attachment 14) listing the activities conducted by the CDFA Seed Services Program. He noted his list did not include the activities conducted by the CDFA Seed Lab, county commissioners or the UCD Seed Biotechnology Center. He deferred to Betsy Peterson of the California Seed Association to possibly provide further explanation of the Business Needs Analysis.

Betsy Peterson reported that Chris Zanobini and Tad Bell met with John Heaton, Debbie Meyer, Nick Condos and a few other CDFA employees to discuss the ongoing concern about activities and funding of the CDFA seed lab. She stated the outcome of the meeting was that a consultant-facilitator should be engaged to talk with industry and CDFA in order to develop a strategic approach for determining what really is needed in the CDFA Seed Program. The emphasis should be to determine what is needed in the future rather than what has been done in the past or is being done today. Betsy state that CDFA Director Nick Condos seemed supportive of moving forward with the process but she deferred to Heaton to report on its present status. She added that if the process determines there is a need to change statute or regulation, the California Seed Association is prepared to seek such changes legislatively.

Heaton agreed with Betsy's summary and stated that the Department is supportive of any process that helps the program move forward or become more efficient. He noted a strategic plan was conducted prior to his hire and the recommendations from that strategic plan in 2003 were implemented (attachment 13). He believes there was benefit to the strategic planning meeting of 2003. For example, one recommendation by the Board was to reduce the number of official samples collected, which the

Program did. The reduction in sampling allowed the Program to shift its emphasis to enforcement on firms not authorized to sell seeds in California. Heaton observed that the shift resulted in more firms authorized to sell seeds and more assessments collected that enabled the Board to recommend three reductions in the assessment rate.

Heaton also noted that some recommendations made in 2003 were not feasible and could not be implemented for legal reasons; including labor agreements. For example, the recommendation to use private labs to process official seed samples for enforcement still gets promoted occasionally however even in 2003 labor agreements make that scenario very problematic. In addition Heaton recently became aware of a recent legal opinion that only government or accredited university labs can be considered for certain enforcement work since there's an inherent conflict of interest due to the fact that private labs are for-profit entities that receive most of their revenue from services rendered to the regulated industry.

The strategic plan from 2003 also discussed county seed subvention and seed certification. Heaton noted that the recommendation for CDFA to collect the official seed samples was implemented although counties no longer collect the official seed samples and still receive $120,000 annually. The subvention amount has not changed for about two decades.

Heaton stated the Department values the input from the Board and recognizes the benefits that have occurred when certain strategies have been implemented. He does not oppose the proposal for a new strategic plan but he believes the Board needs to recommend the expenditure before the Department proceeds. During the meeting introducing the concept of a business needs analysis, Heaton learned the cost for a consultant-facilitator would be about $60,000. More recently he has heard a figure of $90,000. This amount is obviously more than he can authorize and will require justification by the Department.

Member Mike Campbell asked who proposed the amount.

Heaton replied that his recollection was that CSA participants presented that amount. Betsy replied that her understanding was that CDFA Plant Division Director Nick Condos proposed using a consultant-facilitator that would perform the Business Needs Analysis. She was under the impression that the Department was already pursing the proposal.

Heaton admitted that he did not know for sure who synthesized the concept of a Business Needs Analysis. When the $60,000 price tag was discussed he informed the participants of the meeting that the Seed Advisory Board would need to make a recommendation.

Heaton clarified that he has attended four meetings in the Department related to the proposal for a Business Needs Analysis, but the process has not yet been initiated.

The first meeting was already mentioned by Betsy and involved presentation of the concept. The second meeting included an individual from the IT unit who was familiar with Value Chain Analysis. A third and fourth meeting were held with CDFA employees in the Inspection Services Division who recently conducted a similar analysis for their Boards. The employees from Inspection Services Division did not recall paying for an outside consultant. Instead they met quite frequently with their Boards and conducted workload analyses to identify the essential functions, as well as to set priorities of what absolutely needs to get done by staff. Heaton noted that if the Board wishes to pursue the matter, previous efforts by staff and discussions by the Seed Advisory Board might prove useful. He offered a list of activities performed by the Seed Services Program (attachment 14) as a starting point to move the project ahead.

Heaton stated that one outcome of the review by Inspection Services Division was that CDFA employees collect considerably fewer samples and instead conduct many more audits.

Betsy Peterson noted the decision was arrived at through a process of the industry working with CDFA, much like the current proposal for a Business Needs Analysis. She emphasized that one of the benefits of alternate models is that industry has resources to move quickly when necessary, such as the recent situation with cucumber green mottle mosaic virus (CGMMV). Heaton acknowledged that alternate models might be useful in the event that greater regulations come about because of seed health issues.

Betsy stated it's important for the Department and the industry to understand what resources are already available so they can work together to cut costs and complete the tests that are needed as efficiently as possible. When USDA and CDFA understand what is already being done in the seed industry, it goes a long way to minimize costs when an urgent situation occurs.

Chairman Frey suggested that the proposal for a business needs analysis be tabled until after the agenda items discussing the Program's financial condition are presented.

Member Mike Campbell stated that he does not believe the Board has nearly enough information about the process of a business needs analysis to make a decision at the present time.

Heaton understood member Campbell's concern. He commented that he is ready to identify the needs of the regulatory program but he is not in a position to identify the business needs of the industry. He noted that one need identified by the industry at the ASTA meetings was the need for more consistency between labs. Heaton stated that through his work at AASCO, he led the development of an accreditation program for seed sampler trainers to help remedy inconsistencies that improper seed sampling might be causing.

Member John McShane commented that he is familiar with some of the benefits from Value Chain Analyses in private businesses, but he is not familiar with its use in government. He requested that any presentations to the Board include an example of the benefit delivered to a similar government program.

Mike Campbell motioned the Board request Nick Condos present the costs and benefits of the Business Needs Analysis or Value Chain Analysis to the Board. Greg Orsetti seconded the motion. Motion carried.

8. Seed Services Program - Fund Conditions and Proposed Budgets

John Heaton noted passage of a prior motion to recommend acceptance of a proposed travel blanket of $11,725 for FY 2015. This amount is reflected in the proposed budget and fund condition for the Seed Services Program.

Chairman Frey reminded the Board that in prior years, the Board did not review the details of a budget for the seed lab but instead recommended an amount to be spent from assessment collections on behalf of the lab as a line item on the Seed Services' budget. Last year, the Board requested a more detailed budget for the lab as well as a revenue report of funds received for fee-for-services activities.

Heaton presented a fund condition report (attachment 15) for PCA 13016; the seed lab revenue account. He noted the revenue for testing fees and services is remaining around $24,000 per year. He projected the cash balance for PCA 13016 at the beginning of FY2014 will be approximately $128,240. He explained that several years ago the recommendation was made by the Board to only have minimal expenditures against PCA 13016 and to use revenue collections from lab services to reduce the building bond debt. The handout showed that for the two prior years the payment for the bond debt was not made but appears to be $40,000 in FY2013. Heaton estimated that there is $24,860 remaining on the bond debt. He believes the department has elected to delay final payment of the debt for reasons of building maintenance. He will continue to track the remaining debt and payments.

A proposed budget (attachment 16) for the seed lab (PCA 13015) in FY 2015 was prepared by Susan McCarthy, Branch Chief of the Plant Diagnostics Center. Susan projected that it will cost $740,012 to run the seed lab in FY2015.

Heaton explained that this is the full amount of Susan's estimate to run the lab. Last year the Board recommended assessment collections only be used to cover 72% of the total amount to run the lab. Unfortunately when the Board recommended a budget for the Seed Services Program in FY2014, the line for lab support was only $500,000 which is lower than the 72% level of support provided in FY2013.

Chairman Frey directed Heaton to continue the financial reports for the Seed Services Program before the Board addressed the budget for the seed lab.

Heaton provided several handouts to summarize information collected over years and when firms request authorization to sell seed in CA. The following handouts were provided:

- Number of Firms Authorized to Sell Seed in California from 2000 through 2013
  - Attachment 17
    a. firms authorized to sell seeds in CA in FY 2013
    b. 587 firms authorized to sell seeds in CA in FY 2013
    c. 41% increase in number of firms authorized to sell in CA since 2005
- Number of Enforcement Letters sent for Label Violations 2005 through 2013
  - Attachment 18
    a. 54% increase in enforcements since 2005.
- Total Program Budget as Percentage of Reported Sales 1993 through 2014
  - Attachment 19
    a. Track record of projections versus actuals is very good
    b. Projecting reported sales of $649 million in FY2013
    c. Projecting reported sales of $671 million in FY2014
    d. Projecting reported sales of $721 million in FY2015
    e. Board previously expressed desire to use reserve if collections do not cover budget in order to reduce cash balance in reserve.
- Charts of Who is Selling Seeds and Collecting Assessments in FY2012
  - Attachment 20
    a. Top 100 companies reported 90% of seed sales and assessments
    b. Top 16 companies reported 50% of seed sales and assessments
    c. 50% of seed sales were reported by out-of-state firms

- Proposed budget for the Seed Services Program in FY2015 (attachment 21).

  Heaton noted that in May 2013, the Board approved a budget for the Seed Services Program that only recommended $500,000 of assessment collections be allocated to the seed lab in FY 2014. He noted that in column three of the handout, the $525,000 figure reflects the Board's original recommendation of $500,000 for the seed lab in FY 2013 plus a later amendment (July 1, 2013) for $25,000 more because 72% of the lab's costs are directly related to testing official seed samples. During the July meeting the Board left unchanged, the $500,000 recommended for the lab in FY2014. Heaton informed the Board that although they previously recommended $500,000 from assessment collections for the lab in FY2014, if the same 72% criterion is applied to the FY2014 budget proposed for the seed lab by Susan McCarthy (attachment 16), the figure should be adjusted upward to $532,800. He input the amount of $532,800 in column four of the handout with the expectation the Board will discuss and possibly recommend an increase to the apportionment of collections for the seed lab from $500,000 to $532,800 in FY2014.

  Heaton directed the Board's attention to the last column of the proposed budget. He noted most lines were increased by calculating a three year average and increasing each amount by 5%. One significant change was to increase the

amount of funds for subvention to counties performing seed law enforcement from $120,000 to $200,000. He stated that he expects SB1399 will pass with a higher amount for counties since the amount has not been increased for two decades. Heaton acknowledged his prediction may be wrong, since counties no longer collect official seed samples for compliance monitoring.

The other significant change was a 4% increase from the prior year for the seed lab. Heaton noted that the $532,800 figure for the lab in FY2014 became the base for his estimate of apportionment for the lab in FY2015. The proposed budget for the Seed Services Program in FY 2015 included $554,112 for the seed lab.

After brief discussion, the Board felt it was premature to increase the amount allocated for counties until the legislature changed the amount in law. They requested the proposed budget not include the $200,000 amount for counties, but instead retain the $120,000 amount.

Heaton adjusted the proposed budget downward from $1,827,357 to $1,747,537 for FY2015.

Chairman Frey requested the Board table further discussion about the proposed budget until reviewing the fund condition report for the Seed Services Program.

- Fund Condition Report for the Seed Services Program in FY2015 (attachment 21).

  Heaton presented a fund condition report (attachment 22) for PCA 15551; the Seed Services Program account. He noted the Program's cash balance increased in FY 2011 from $1,799,441 to $1,846,680. In FY 2012, the estimate of reported expenditures indicates the Program cash balance went from $1,846,680 to $1,672,346. For the current year, the starting cash balance was estimated to be $1,672,346 and is expected to end at approximately $1,618,914; a reduction of $53,472. Heaton commented that he is not alarmed by the reductions in in the cash balance because the Board previously stated they wanted to reduce the cash balance before considering an increase in the assessment rate to cover expenditures.

  For FY 2014 the estimated starting cash balance is $1,618, 914 and the Program estimates the ending balance will be approximately $1,485,348. After adjusting for the Board's desire to keep the subvention payment to counties at $120,000 and provide $532,800 and $554,112 to the seed lab in FY2014 and FY2015 respectively, the Program estimates that the cash balance at the end of FY2015 will be $1,489,904.

  Heaton noted that the Program's projections have been fairly accurate in recent years. Except for FY2012, the Program has managed to keep expenditures below approved budgets. He is confident that collections will be adequate to maintain

the Program in good financial standing, while slowly reducing the cash balance. He did not see a need to change the assessment rate.

Chairman Frey asked how the “Business Needs Analysis” would be paid for. He specifically wanted to know what budget year it would be paid from.

John McShane noted that it would require a separate approval. Heaton agreed. He explained that the state has a program called CMAS, which stands for The California Multiple Award Schedules. CMAS offers a wide variety of services at prices which have already been assessed to be fair, reasonable and competitive. Since they have already been reviewed, suppliers may apply for a CMAS contract at anytime - no bids are required. By utilizing CMAS, Heaton believes the process could be streamlined; without the need for bidding. The cost would likely be charged to the FY2014 budget.

Chairman Frey requested the Board’s input for the proposal to increase the Seed Lab’s budget in FY2014 from $500,000 to $532,800, which will cover 72% of the lab’s expected budget.

John McShane noted that when the Board originally approved the $500,000 the Board did not have the accounting that 72% of the lab’s expenditures were directly related to official samples and seed law enforcement. He motioned that the Board approve the proposed level of $532,800. Motion seconded by Larry Hirahara. Motion carried.

Chairman Frey requested the Board’s input for the total budget proposed for expenditures of the lab in FY2015. Marc Meyer motioned to recommend $554,112 for lab expenditures in FY2015. Kelly Keithly seconded. Motion carried.

Chairman Frey asked the Board if they wanted to approve an increase to the subvention of costs by county commissioners enforcing the seed law.

Betsy Peterson explained that SB1399 is currently being considered by the legislature to extend the sunset of the seed subvention program. The CSA is waiting for additional information, or proposals from the Agricultural Commissioners before moving the legislation forward. There have been recent discussions about changing the formula for calculating subvention payments based on changes in the industry and counties. There have also been discussions about greater enforcement of labels. The bill currently has a provision for $120,000 but there is consideration that this amount has not increased for fifteen years.

Heaton agreed and said that historical documents show counties had hourly costs of about $20/hour in 1978. He plugged that value into a present value calculator and received an adjusted rate of approximately $74/hour in 2013.

When he multiplied $74/hr times the total hours reported statewide by counties in 2012 the amount came to $184,000. He rounded that value to $200,000 with the idea that if passed, the amount would be adequate for several years. Heaton added that he believes efforts by counties have helped the Program to identify firms not previously paying into the Program and have resulted in an aggregate increase in collections of about $1.2 million over the last decade.

John McShane recalled discussions about the failure of some counties to perform adequate work for payment received. He suggested it's premature to propose an increase until the legislature approves an amount in law. If necessary, the amount for subvention could be augmented later.

Heaton noted that the current law is not slated to sunset until 2015. Consequently there will be time to increase the amount for subvention if the law only increases the amount for subvention after the sunset.

He added that recent amendments to SB1399 provide a less stringent way to apportion the funds to counties. He is excited about the prospect of implementing a multiyear memorandum of understanding (MOU) because it should give the Program more flexibility.

John McShane motioned that the amount for subvention to the counties be kept at $120,000 for FY2015. George Hansen seconded the motion. Motion carried.

Chairman Frey noted that reduction of subvention from $200,000 to $120,000 in the proposed budget, thus adjusting the total amount proposed for the Seed Services Budget in FY2015 to $1,747,357.

Kelly Keithly motioned to recommend the budget of $1,747,357 for the Seed Services Program in FY2015. John McShane seconded the motion. Motion carried.

9. Recommendation for assessment rate on sales in FY2014

Heaton noted that because of the lead time necessary to make regulatory changes, the Board must recommend an assessment rate on sales made in FY2014 during the present meeting. In this manner, the rate will be in place when 2014 sales are reported at renewal during July 2015.

Heaton directed the Board's attention to the graph of sales projections for FY2014 (attachment 20). Based on expected sales, collections and expenditures, Heaton did not see the need to recommend a change to the assessment rate.

Bill White motioned to recommend the assessment rate remain the same. George Hansen seconded the motion. Motion carried.

10. Legislative Report

Chairman Frey noted the previous discussion on SB1399 in agenda item 8. He requested Betsy Peterson report any additional legislative issues.

Betsy Peterson provided brief summaries about water legislation and explained the California Seed Association is closely watching other legislation.

- SB1381

- requires labeling on GMO containing foods. There is a broad coalition of interests opposed to the provisions. She stated there may be more to report on later.

- SB1411

- is legislation to expand reporting requirements for pesticide applications near schools and other sensitive areas.

- AB2470

- is a bill that could be used if the Agricultural Commissioners want to add anything about seed subvention.

Chairman Frey asked Tulare County Agricultural Commissioner Marilyn Kinoshita if she wanted to comment.

Commissioner Kinoshita commented that a small group of Commissioners on the Nursery Seed and Apiary Committee looked at the overall costs of the Seed Program to the Commissioners versus the subvention from CDFA. They felt that some counties were receiving more funds than necessary to cover their costs. The counties that receive $100 do perform nominal enforcements. Other counties are quite large and spend a lot of time traveling to many labelers. Smaller counties with many seed companies can achieve the required work with less effort. The idea is to change the law to allow the program to appropriate funds through a formula other than just units of activity.

John Heaton added that whatever payment formula gets adopted, it will have to clearly specify the criteria for payments to counties.

Commissioner Kinoshita stated counties are more closely tracking resources used for specific tasks.

Heaton agreed. He noted that some counties have already made the decision that the funds received do not offset the costs incurred for the county just to administer the subvention program, let alone conduct the enforcement work.

Heaton believes a multiyear contract with an annual scope of work will help to cut administrative costs for counties.

11. Nominating Committee

Chairman Frey informed the Board that he is retiring from Alforex Seeds and moving out of the state. Due to this change in circumstances, he announced his resignation from the Seed Advisory Board effective immediately.

John Heaton noted that during the previous meeting the Board nominated John McShane for position of Vice Chairperson.

Member Bill White motioned that John McShane be nominate and elected to replace Chairman Frey. Greg Orsetti seconded the motion. Motion carried.

Chairman Frey thanked John McShane for volunteering to ascend to Chairman and congratulated him.

Chairman Frey directed the Board's attention to the current roster (attachment 23).

The following members volunteered to be on the new Nominating Committee:

- John McShane
- Bill White
- Greg Orsetti

Heaton explained that the law provides for the Secretary to appoint to a seat vacated on the Board. He expects that this will occur before the next meeting. He sought recommendations from the Board.

Chairman Frey suggested that John Palmer of Alforex Seeds might consider serving on the Seed Advisory Board.

Heaton noted that the Nominating Committee should consider recommendations for the following expiring terms.

- Janice Woodhouse – Northern California Agricultural Seed Labeler
- Bob Prys – Central California Vegetable Seed Labeler
- Larry Hirahara – Public Member

12. Public Comments

None were requested.

13. Other Items – Next Meeting

Chairman elect John McShane set the next meeting date for November 19, 2014 in Sacramento at 8:30 am.

Heaton informed the Board that he will attempt to locate the meeting at the CDFA Facility in Gateway Oaks (2800 Gateway Drive) in Sacramento. He noted its proximity to I-5and El Camino.

14. Adjournment
Kelly Keithly motioned to adjourn. Motion seconded by John McShane. Motion carried.

Meeting adjourned at 1:37 p.m.

15. Attachments 1 through 9

Respectfully Submitted

John Heaton
Senior Environmental Scientist
CDFA Seed Services Program

Approved by the California Seed Advisory Board on Nov. 19, 2014

Financials

UC Davis Seed Biotechnology Center						
2013 - 2016 CDFA Budget and Actual						
(first of three year grant)						
			Budget 2013-14	**Actual 4/28/2014**	**Budget 2014-15**	**Budget 2015-16**
	INCOME					
1	California seed assessment	$	200,000	200,000	200,000	200,000
	EXPENSES RELATED TO THE CDFA GRANT					
2	Personnel salaries & benefits	$	163,000	162,504	163,000	163,000
3	Computer equipment and software		3,000	607	3,000	3,000
4	Office communications		6,000	5,034	6,000	6,000
5	Publications		6,000	5,201	6,000	6,000
6	Office supplies and misc. expenses		3,000	482	3,000	3,000
7	Industry outreach travel and meeting expenses		18,000	4,475	18,000	18,000
8	Research and program support		500	-	500	500
9	Other		500	-	500	500
	TOTAL EXPENSES	$	200,000	178,303	200,000	200,000
	NET INCOME OVER EXPENSES	$	-	21,697	-	-

OST Travel Blanket for Seed Services FY 2015-16

For SAB Approval May 7, 2014

Destination	Date of Trip	Class Title	Total Attending	# of Trips	# of Days per Trip	Total Days of Trip	Cost	PCA	Funding	Purpose / Justification (include benefit to state)
TBD	July	Sr Environmental Scientist - Supervisor	1	1	6	6	$2,725	15551	Dept. of Food and Agriculture Fund	To attend the annual meeting of the Association of American Seed Control Officials (AASCO). The designee serves as the former President of AASCO and is obligated to attend the entire meeting. As former President, the designee serves on several panels and will revise a newly developed procedure for AASCO to accredit seed sampler trainers. The designated attendee will present procedures that uitlize biosecurity protocols for seed sampling. Accredited trainers can then train county staff and industry employees in leiu of CDFA training them; bringing efficiencies and improved quality of seed for farmers. In addition, the Seed Control Officials will vote on changes to the Recommended Uniform State Seed Law (RUSSL) and changes to the Official Seed Sampling Manual. The California seed industry currently provides more than $3 billion of seed sales to the California economy per year. The training and accreditation gained at this meeting are critical for the Department's ability to maintain orderly markets for seed sales, prevent the introduction of pests in seed, and retain seed businesses in California. Participation by the designee at this meeting is strongly supported by the California seed industry. This will be one six day trip for one employee.
TBD	June	Senior Environmental Scientist or Agriculture Program Supervisor IV	1	1	5	5	$1,900	15551	Other - Salary Only	To attend the Joint Annual Meeting of the Association of Official Seed Analysts (AOSA) and the Society of Commercial Seed Technologists (SCST), a meeting of domestic and foreign government officials and seed industry representatives involved in the testing of seed moving in global commerce, which are subject to a variety of labeling and quarantine laws. The AOSA and SCST are responsible for developing internationally recognized official procedures for seed quality testing (AOSA Rules), which serve as the official methods for seed testing in most state seed laws, and are routinely adopted by the Federal Seed Act. The designee serves as the former President of the Association of American Seed Control Officials. A duty of the former President is to attend and participate in meetings of affiliate organizations that work cooperatively with Seed Control Officials. If this trip was denied, CDFA would not participate in identifying and working to resolve critical issues that impact the California seed industry. All expenses will be paid by the Association of American Seed Control Officials and no conflict of interest will occur. Travel will not interfere with regularly assigned duties.
Gastonia, NC	TBA	Senior or Associate Seed Botanist or Program Supervisor	1	1	6	6	$1,900	15551	Dept. of Food and Agriculture Fund	To attend the USDA Seed Regulatory and Testing Branch (STRB) Seed Workshop, which provides state of the art instruction on purity analysis as well as crop and weed seed identification. Emphasis is on recognition of new and emerging seed contaminant species, particularly noxious-weed seeds, seed health issues, and the use of DNA-based and immunological testing for discrimination of new cultivars and genetically modified crops. The training is necessary the trip desginee to qualify for the Certified Seed Analysts accreditation examination. Accreditation of this individual is mission critical for the CDFA seed lab. Only accredited individuals can conduct tests that are recognized nationally and internationally for seed law enforcement programs and the issuance of phytosanitary certificates that accompany international shipments of seed. This training is critical therefore to support and protect the multi-billion dollar seed industry in California. Training is provided under a cooperative agreement with the USDA to facilitate Federal Seed Act enforcement. Participation by the designee at this training is strongly supported by the California seed industry. No general funds will be used for this one six day trip.

OST Travel Blanket for Seed Services FY 2015-16

For SAB Approval May 7, 2014

Destination	Date of Trip	Class Title	Total Attending	# of Trips	# of Days per Trip	Total Days of Trip	Cost	PCA	Funding	Purpose / Justification (include benefit to state)
TBD	June	Seed Botanists or Program Supervisor	2	1	8	16	$2,700	15551	Dept. of Food and Agriculture Fund	To attend the Association of Official Seed Analysts (AOSA) and the Society of Commercial Seed Technologists (SCST) Meeting and Training Workshops. Attendees include domestic and foreign government officials and seed industry representatives involved in laboratory quality assessment and phytosanitary certification of seed lots moving in global commerce and subject to a variety of labeling and quarantine laws. The AOSA/SCST develop internationally recognized procedures for seed quality and phytosanitary testing (AOSA Rules), which serve as the official seed testing methods for states seed enforcement laws, and are routinely adopted into the Federal Seed Act. The CA Seed Advisory Board has determined that participation by the CDFA Seed Lab scientists is both mission critical and beneficial to the state because important changes to the AOSA Rules will be considered and it's vital that CA regulatory and consumer interests be represented during debate and voting on any changes that could impact the state's multi-billion dollar seed industry. Attendance is required to participate in the voting process. Both Seed Botanists serve as chairpersons for various AOSA/SCST committees responsible for AOSA Rules development research and will make presentations. Attending the workshops provides training in state of the art diagnostic techniques and AOSA mandated protocols for seed quality assessment. Lab scientists are responsible for prompt and accurate identification of all plant species via seed morphology and other methods, diagnosing seedling abnormalities that can lead to crop failure, and is crucial for the health of California's seed industry. Attending these trainings are crucial to be able to pass the AOSA/SCST proficiency tests and to meet continuing education requirements to maintain AOSA/SCST seed technologist accreditation. Participation by the designees at this meeting is strongly supported by the California seed industry. No general funds will be used for these two eight day trips.Partial funding may be provided by AOSA/SCST.
Chicago, IL	Dec.	Sr Environmental Scientist - Supervisor	1	1	5	5	$2,500	15551	Other	To attend the annual meeting of the American Seed Trade Association (ASTA), one of the oldest trade organizations in the United States. Its membership consists of about 850 companies involved in seed production and distribution, plant breeding, and related industries in North America. The California Seed Advisory Board has expressed their desire for a representative from the CDFA Seed Services Program to attend this meeting. Since ASTA advocates science and policy issues of industry-wide importance, the Board believes it is important for the designee to participate on panels that discuss issues relevant to seed law enforcment in California. As former President of the Association of Seed Control Officials, the trip desginee will explain the recently developed Seed Sampler Accreditation Program to the seed industry and new biosecurity protocols. Expenses to participate at this meeting will be paid by the Association of American Seed Control Officials. No conflict of interest will occur. This will be one five-day trip for one person.
Totals			**6**	**5**	**30**	**38**	**$11,725**			

cdfa CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
Karen Ross, Secretary

May 1, 2014

Dear Members of the California Seed Advisory Board:

During the November 14, 2013 meeting of the Seed Advisory Board, Crystal D'Souza from the CDFA Legal Office explained that fees and assessments collected from reported seed sales can be used by the Department to maintain a seed laboratory that performs various activities and testing that are consistent with the purposes of the law. She further explained that the purposes of the chapter include prevention of the spread of noxious weeds and that many of the "other" samples tested by the lab are to prevent the spread of noxious weeds.

After considerable discussion the Board passed a motion that staff request a written opinion from CDFA Legal about which activities performed by the seed laboratory the Board is responsible for and which activities can be paid for with the assessment funds.

On January 3, 2014 the Seed Services Program received a written internal memorandum from Staff Counsel Crystal D'Souza. In short, the memorandum reiterated her statements made during the November 14, 2013 meeting of the Board; namely that assessments and fees collected for enforcement of the seed law are not limited to funding the testing of official seed samples. She confirmed that the Department must use the funds to carry out the purposes of the entire seed law which includes preventing the spread of noxious weed seed.

Sincerely,

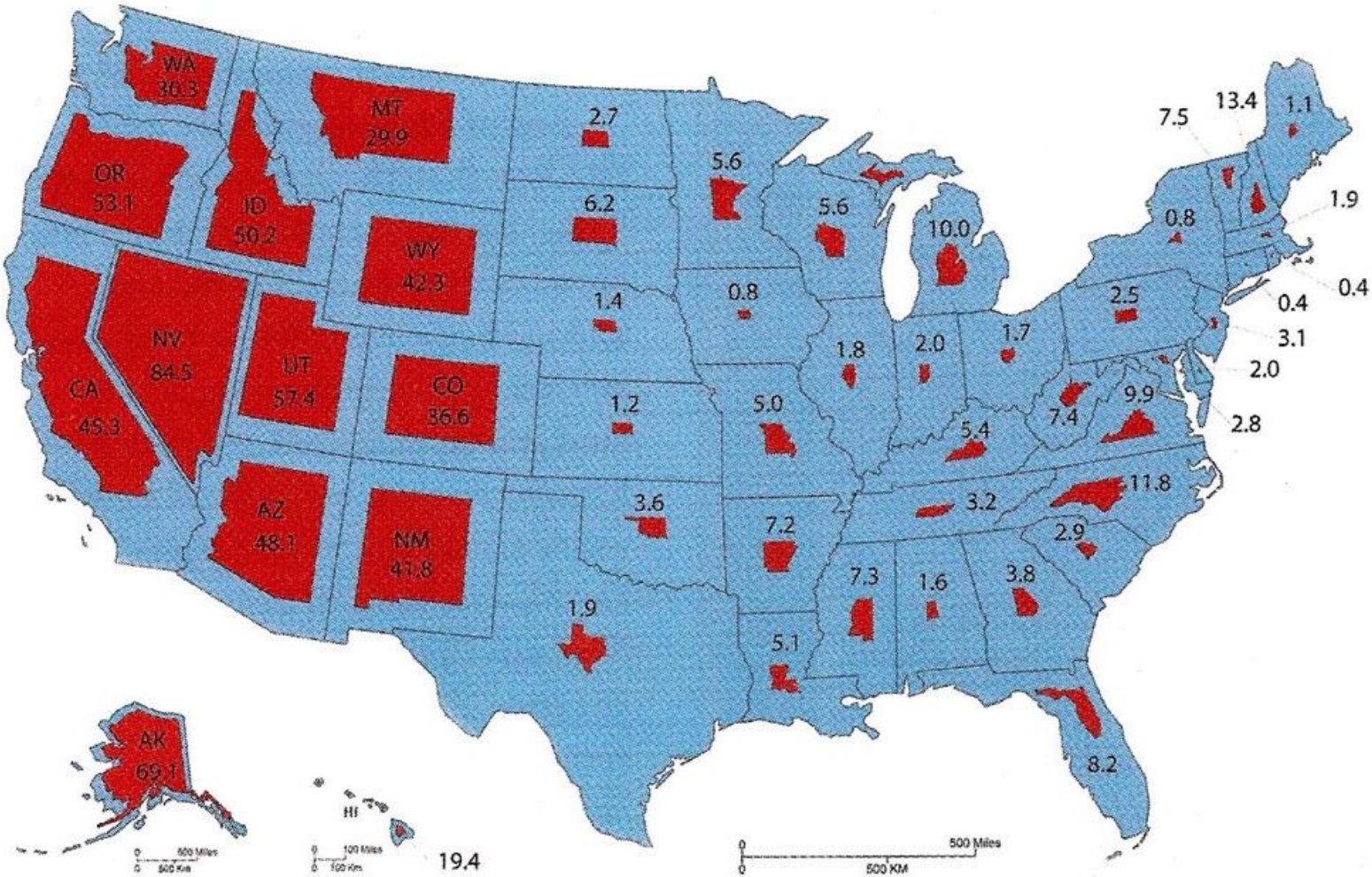
John Heaton

John Heaton
Sr. Environmental Scientist

cc: Paul Frey, Chairman
California Seed Advisory Board

Federal Land as a Percentage of Total State Land Area

Attachment 4.



Data source: U.S. General Services Administrataion, *Federal Real Property Profile 2004,* excludes trust properties.

CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
Karen Ross, Secretary

January 24, 2014

[Name]
[Title]
[Org.]
[Address]
[City, State, Zip]

Dear [Name]:

The Association of American Seed Control Officials (AASCO) has contacted me as the Seed Control Official for California and requests your cooperation in an effort to audit the accredited seed sampler trainer who certified you as an AASCO Certified Seed Sampler last year.

On _____ you received training about proper seed sampling from Alex Mkandawire of the California Crop Improvement Association. The purpose of that training was to teach you the methods of seed sampling that are used by seed law enforcement officials. The expectation is that when private samplers and government inspectors use the same methods to obtain random seed samples, the laboratory results will be more consistent. Through representative seed sampling and comparison of test results, AASCO and CDFA hope to improve the characterization of seeds offered for sale in California and the United States, leading to greater confidence of test results by labelers and buyers, as well as fewer enforcement actions.

The AASCO Accredited Seed Sampler Trainer Program can only be successful with your assistance as a certified seed sampler. The audit process approved by AASCO authorizes state seed control officials to request duplicate seed samples from samplers certified by the accredited seed sampler trainer. I am therefore requesting that the next time you collect a sample for submission to a seed lab you also collect a second (or duplicate) sample for submission to the CDFA Seed Services Program at the address provided later in this letter. After review of your sample paperwork, as well as a review of the general condition of your sample, I will make an initial determination of adherence to the methods in the AASCO Handbook on Seed Sampling.

Your duplicate sample may then be submitted to the CDFA Seed Laboratory for more detailed analysis if resources permit. Since your duplicate sample is not an official seed sample, the results cannot be used for enforcement of the seed law by CDFA. If the CDFA seed laboratory finds something unusual, your company will be notified so that corrections can be made and customer satisfaction maintained.

Once your company receives the laboratory results from the initial sample that you submitted to a different lab, your company should forward a copy of those results to the CDFA Seed Services Program. I will compare the results of the initial seed sample and the duplicate seed sample for inconsistencies. If significant differences are found between the results, the differences will be noted and investigated with the intent of correcting the methods and procedures causing different results for duplicate samples.

CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
Karen Ross, Secretary

[Name]
January 24, 2014
Page 2.

Only through comparison of results is it possible for AASCO and CDFA to make a determination if standard methods for sampling and testing seeds are being utilized. This monitoring strategy is essential for continuance of the accreditation program and provides all parties involved significant cost savings. By CDFA reviewing your sampling methods and the laboratory analyses obtained, your company and the consumer will have confidence in the values used for labeling seeds.

To assist you with this request, I am providing a copy of the description of sample form from the AASCO Handbook. It is not required that you use this form but it is highly recommended as standardization provides more validity to the program. Please mail you duplicate seed sample to my assistant at the address below.

Seed Laboratory/ Attn: Connie Weiner
CDFA Plant Diagnostic Center
3294 Meadowview Road
Sacramento, CA 95832-1448

Since several months may have passed since you received your training or since you collected a seed sample, you may need review the methods for seed sampling. Please use the documents that your were provided at training as your first resource. If you still have questions, you may contact Alex Mkandawire at the California Crop Improvement Association, or the CDFA Environmental Scientist assigned to sample seeds in your area. A map with contact information is provided.

I want to thank you in advance for your cooperation. Please mail you duplicate seed sample to me within the next two months.

Sincerely,

John Heaton
Sr. Environmental Scientist – CA Seed Control Official
Fax # (916) 651-1207
John.heaton@cdfa.ca.gov

Enclosure

cc: Steve Malone, AASCO President
Alex Mkandawire, Certified Seed Program Representative
California Crop Improvement Association (CCIA)
CDFA District Environmental Scientist for the Seed Services Program

CALIFORNIA CROP IMPROVEMENT ASSOCIATION

Certification Sample Form - (VERSION FOR AASCO DUPLICATE SAMPLE)

UNIVERSITY OF CALIFORNIA
DAVIS, CA 95616

Date Sample was drawn:	
Seeds ID:	
Applicant:	
Conditioner:	
Variety:	
Cert Number:	
Lot Number:	
Weight in Lot:	
Class:	
Cert Year:	
Crop:	
Remarks:	
Sample Drawn By:	
Kind of Containers:	Bins Totes Bags Other: _____
Number of Containers:	
Number of Containers Sampled:	
Describe Sampling Device/probe	

Complete this sample form and mail it with the duplicate sample to:

John Heaton - Chair of AASCO Sampler Trainer Committee
c/o Connie Wiener, Sr. Agricultural Biological Technician
3294 Meadowview Rd., Room 266
Sacramento, CA 95832

Please send a copy of the laboratory analysis report for the original sample (i.e. non-duplicate sample) that you receive from the non-CDFA lab once their testing is complete. Fax to 916 651-1207 or scan and email to Jheaton@cdfa.ca.gov
Please include a copy of the original sample form with the laboratory analysis.

The Association of Official Seed Analysts (AOSA) Rules for Testing Seeds are considered the standard methods for seed quality testing used in the United States. Each year revisions are made to the AOSA Rules to keep pace with industry and regulatory needs. Revisions are made following research and development of rule change proposals that are adopted by the AOSA and the Society of Commercial Seed Technologists (SCST) members at their annual business meeting. Figure 1 shows the percentage of AOSA Rule Change Proposals submitted by CDFA Seed Lab staff versus other sources from 1998 to 2013. Of the 285 rule change proposals presented to AOSA/SCST members in the last fifteen years, 127 proposals have been authored or co-authored by CDFA Seed Lab staff, while 158 proposals were submitted by other AOSA and/or SCST members. The CDFA authored proposals have had a 97 percent pass rate (adopted into the AOSA Rules), while proposals from other AOSA or SCST members have had an 87 percent pass rate (Figure 2). The percentage of rule change proposals submitted by CDFA Seed Lab staff during each of the last fifteen years is shown in Figure 3.

Figure 1. AOSA Rule Change Proposals Submitted by CDFA Seed Lab Staff versus Other Sources

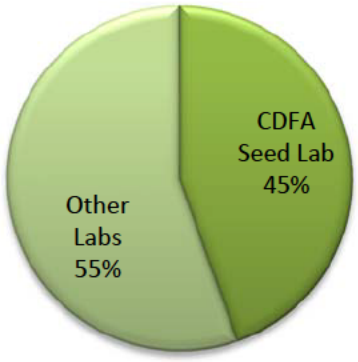


Figure 2. Comparison of Pass/Fail Rates of AOSA Rule Change Proposals Submitted by CDFA Seed Lab Staff versus Other Sources.

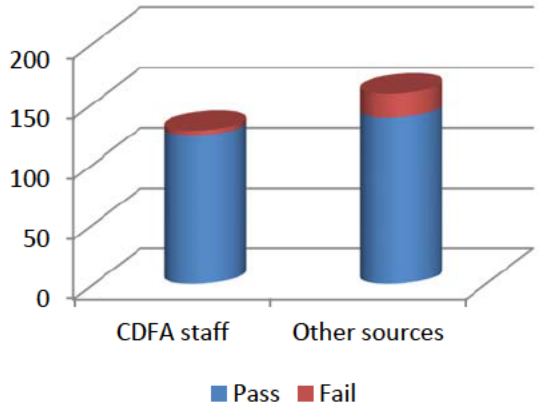
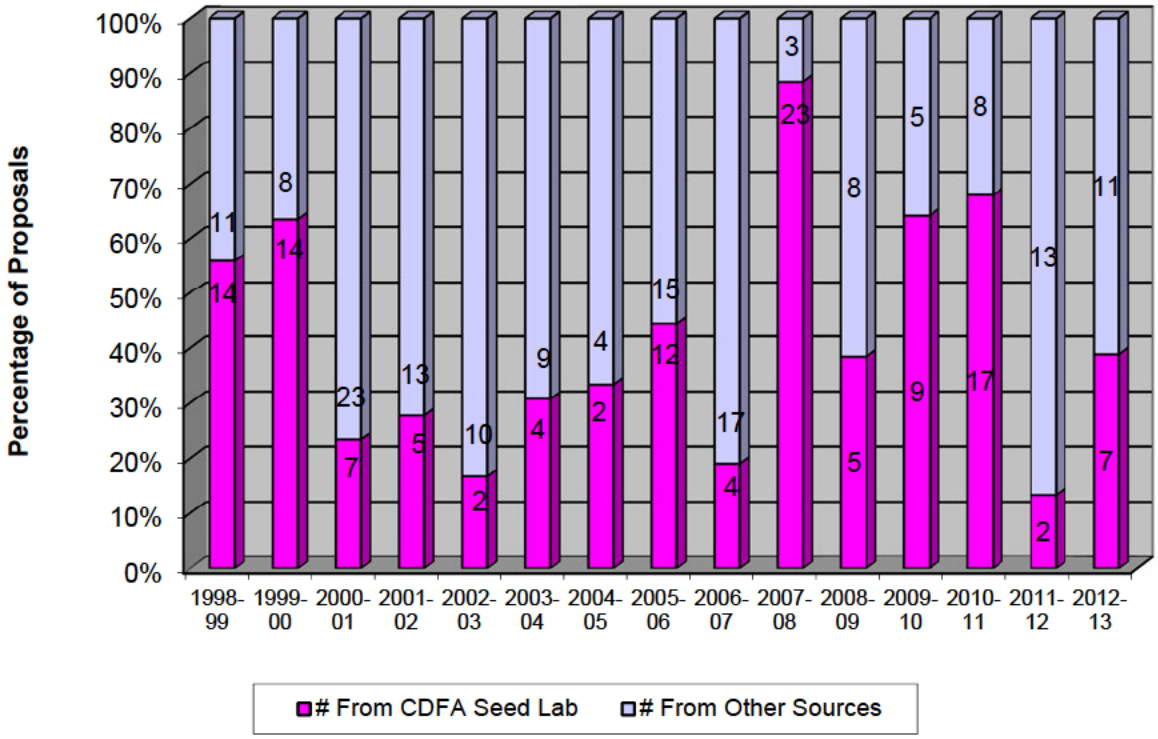


Figure 3. Percentage of AOSA Rule Change Proposals submitted by CDFA staff versus submissions from other sources each year from the 1998-99 through 2012-13 rule proposal cycles.



Fifteen-Year Summary of AOSA Rule Change Proposals

Deborah J. Lionakis Meyer

The summary indicates the proposal number, submission cycle, official adoption into the AOSA Rules, purpose of proposal, who submitted the proposal, whether or not the proposals was the result of collaboration among laboratories, and whether the laboratories that developed the proposal were governmental (AOSA) or non-governmental (SCST). Of the proposals submitted to the AOSA Rules Committee and voted on by the AOSA and SCST members during the last fifteen years, 61 proposals were from AOSA labs, 50 proposals were from SCST labs, and 174 proposals submitted were the result of collaborative work among AOSA and SCST labs (Figure 1). Ninety-two percent of the proposed changes to the AOSA Rules for Testing Seeds were adopted.

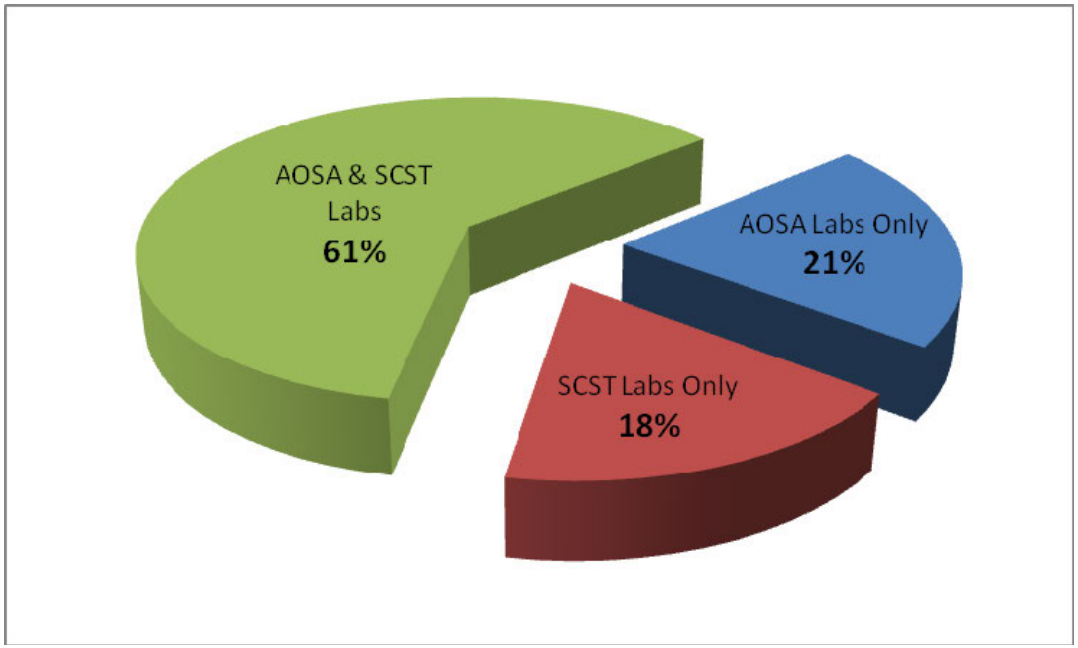


Figure 1. Sources of submitted AOSA Rules change proposals.

Survey of State Seed Control Officials about State Seed Labs

January 2014

Response Rate = 58%

48 emails were sent to state seed control officials
28 SCOs replied.

1. Does your state have at least one official state seed laboratory staffed with state employees?

79% of respondents replied "Yes"
22 states have seed labs staffed by state employees.
21% of respondents replied "No"
6 states that responded do not have labs staffed by state employees.

2. Where does your seed control program submit official seed samples for analysis?

23 states (82% respondents) submit official samples to their state seed laboratory
2 states (7% respondents) contracted with a private seed lab
3 states (11% respondents) use seed labs at their state's crop improvement association
0 states used a seed lab at a different state's crop improvement association
1 state (4% respondents) submitted their official samples to the federal seed lab
1 state does not submit official seed samples as part of a compliance monitoring program
- simply responds to complaints

3. Approximately how many official seed samples does your seed control program submit to your designated seed lab each year?

8 states (29% respondents) submit greater than 2,000 official samples to their designated laboratory
4 states (14%) submit greater than 1,000 official samples to their designated laboratory
2 states (7%) submit between 600 and 900 official samples to their designated laboratory
7 states (25%) submit between 300 and 600 official samples to their designated laboratory
4 states (14%) submit less than 100 to 300 official samples to their designated laboratory
2 states (7%) submit less than 100 official samples to their designated laboratory
1 state (4%) does not submit official samples as part of their compliance monitoring program.

Important to consider "other" activities by state labs with low sample numbers.

4. What do you believe is the status of future funding for your state's seed lab?

16 states (57% respondents) stated funding is solid and increases as needed. 16 = o.k
6 states stated funding for their lab is declining.
2 states said less funding is anticipated and may require staff reductions
1 state said less funding is anticipated and may require closure
1 state said their state is already considering closure
4 states said their state seed labs have already been closed

14 in decline

5. What is the approximate annual budget for your state's seed lab?

$0 = 4 states; labs are closed (15%)
$1 to $200,000 = 6 states (22%)
$200,000 to $400,000 = 10 states (37%)
$400,000 to $600,000 = 3 states (11%)
$600,000 to $800,000 = 2 states (2%)
$800,000 to $1,000,000 = 1 state (4%)
$1.0 million to $1.25 million = 1 state (4%)

7 states have > $400,000

6. The funding of your state's seed lab is:

6 states (22%) mostly from general funds and less than 50% from fees or assessments
6 states (22%) mostly from fees and assessments and less than 50% from general funds
4 states (15%) mostly from fees for lab services; less than 50% from general funds or industry funds.
7 states (26%) almost entirely by general funds with small amount from fees for services
4 states (15%) responded none of the above – suspect these are private and university labs

only 4 states funded by service fees

7. What percentage of your state seed lab's effort is spent testing official seed samples for regulatory purposes (i.e. compliance monitoring)?

4 states (15%) spend 100% of their time on official seed samples
2 states (7%) spend approximately 75% of their time on official seed samples
4 states (15%) spend about 50% of their time on official seed samples
13 states (48%) only spend about 25% of their time on official seed samples
4 states (15%) don't have a seed lab

roughly half of state seed labs are only spending about 25% of their time on official samples.

8. Please indicate other activities besides testing official seed samples that your state seed lab performs.

23 states (88%) spend other time on service samples
11 states (42%) spend other time on quarantine samples
8 states (31%) spend other time on phytosanitary samples
6 states (23%) spend other time on seed health testing
3 states (11%) responded not applicable.. presumably 3 of the 4 states without labs

Emphasis on services samples in 23 states
- no commercial labs?
- farmers testing?

9. How many total employees (Personnel Years PYs) are allocated to your state seed lab?

4 states (15%) had greater than six PYs working in their seed lab
4 states (15%) had six PYs working in their seed lab
5 states (19%) had five PYs working in their seed lab
4 states (15%) had four PYs working in their seed lab
2 states (7%) had two PYs working in their seed lab
2 states (7%) had just one PY working in their seed lab
4 states (15%) had zero PYs working in their seed lab because they are closed

Roughly 50% of state seed labs have 5 or more PYs working.

10. How many Registered Seed Technologists are employed by your state's seed lab?

7 states (26%) have ZERO RSTs working in their seed lab (includes the 4 closed labs) alarming!
7 states (26%) have only one RST working in their seed lab zero when the 1 RST is absent.
6 states (22%) have two RSTs working in their seed lab 1 backup RST
3 states (11%) have three RSTs working in their seed lab
3 states (11%) have four RSTs working in their seed lab
1 state (4%) has five or more RSTs working in their seed lab

11. How long has the Senior Registered Seed Technologist worked in your state seed lab?

9 states (37%) responded that their Sr. RST has more than 25 years of experience 10 states> 20 years
1 state (4%) responded that their Sr. RST has 20 to 25 years of experience
1 state (4%) responded that their Sr. RST has 15 to 20 years of experience
3 states (12%) responded that their Sr. RST has 10 to 15 years of experience
3 states (12%) responded that their Sr. RST has 7 to 10 years of experience
4 states (15%) responded that their Sr. RST has 3 to 7 years of experience 7 states have < 10 years

12. If your state contracts another lab for analysis of official seed samples, what is the approximate amount of the contract?

23 states (85%) responded not applicable. They do all official samples in their state lab.
4 states (15%) states spend less than $100,000 to contract out their samples.

13. If your state contracts a private lab, approximately how many official seed samples does your seed control program submit to the contracted seed lab each year?

23 states (85%) responded not applicable. They do all official samples in their state lab.
1 state sends out less than 100 official seed samples
3 states send out between 300 and 600 official seed samples

14. How important of a role do you believe your state seed lab plays for monitoring the accuracy and consistency of private seed labs who provide test results for seed companies that label seed in your state?

12 states (44%) believe their state lab plays a very significant role monitoring consistency and accuracy
5 states (19%) believe their state lab plays a significant role monitoring consistency and accuracy
5 states (19%) believe their state lab plays a somewhat significant role
22 important role
2 states (7%) believe their state does not play a very significant role monitoring private labs
3 states (11%) play no roll as they do not have a seed lab

15. How frequently does your state seed lab find labeling issues resulting from deviations of testing rules by other labs?

11 state seed labs (44%) find 2 to 6 inconsistent lab results per year
2 state seed labs (8%) find 7 to 10 inconsistent lab results per year
4 state seed labs (16%) find > 10 inconsistent lab results per year
6 state seed labs said they hardly ever find inconsistencies (<1x/yr)
2 states responded not applicable – don't have a lab.

notification assists commercial labs and industry as well as consumers

Results of Survey about CDFA Lab Accreditation - Jan. 30, 2014

Count of Positive Responses for Each Question in Respondent Categories.

Respondents	Sent	Replies	% Replies	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15
CA Labeler	216	87	40.3%	13	30	27	13	17	23	9	38	12	16	13	16	3	25	23
CA Dealer	100	41	41.0%	11	12	10	7	6	9	3	13	4	7	6	3	2	16	15
Out of State	208	86	41.3%	24	29	11	7	7	12	6	48	2	9	4	26	50	3	31
Lab Customer	17	6	35.3%	1	4	0	2	1	3	0	0	5	0	0	0	0	0	1
On-Line	-	9	1.7%	3	3	3	1	1	1	0	6	0	1	1	4	4	1	2
Totals	541	229	42%	52	78	51	30	32	48	18	105	23	33	24	49	59	45	72

% of Positive Responses for Each Question in Respondent Categories.

Respondents	Sent	# Replies	% Replies	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15
CA Labeler	216	87	40.3%	15%	34%	31%	15%	20%	26%	10%	44%	14%	18%	15%	18%	3%	29%	26%
CA Dealer	100	41	41.0%	27%	29%	24%	17%	15%	22%	7%	32%	10%	17%	15%	7%	5%	39%	37%
Out of State	208	86	41.3%	28%	34%	13%	8%	8%	14%	7%	56%	2%	10%	5%	30%	58%	3%	36%
Lab Customer	17	6	35.3%	17%	67%	0%	33%	17%	50%	0%	0%	83%	0%	0%	0%	0%	0%	17%
On-Line	-	9	1.7%	33%	33%	33%	11%	11%	11%	0%	67%	0%	11%	11%	44%	44%	11%	22%
Overall	**541**	**229**	**42%**	**23%**	**34%**	**22%**	**13%**	**14%**	**21%**	**8%**	**46%**	**10%**	**14%**	**10%**	**21%**	**26%**	**20%**	**31%**

1. I received this survey but I do not wish to participate. Proceed no further. Scroll to bottom and click Done.
2. My seed company exports seed to other countries.
3. My seed company does not export seed to other countries.
4. I think the lab should obtain accreditation by ISTA
5. I think the lab should obtain accreditation by USDA.
6. I think the lab should obtain accreditation by both the USDA and ISTA.
7. I believe the CDFA Seed Lab should not obtain ISTA or USDA ASL accreditation.
8. My seed company currently does NOT use the services of the CDFA Seed Laboratory.
9. My seed company currently uses the services of the CDFA Seed Laboratory.
10. My seed company will likely use the services of the CDFA Seed Lab if it obtains ISTA accreditation.
11. My seed company will likely use the services of the CDFA Seed Lab if it obtains USDA accreditation.
12. My seed company will NOT use the services of the CDFA Seed Lab regardless of accreditation.
13. My seed company's operations are principally located outside of California.
14. My firm does not label seed but does sell seed as a dealer.
15. My firm reported annual sales in CA that totaled less than $400,000.

Report - 53rd ASTA Vegetable & Flower Seed Conference

Monterey, CA Jan. 27, and Jan. 28, 2014

Phytosanitary Committee Meeting

Extensive discussion on recent finding of Cucumber Green Mottled Mosaic Virus (CGMMV) on cucurbit seed production fields in CA - July 2013. CGMMV is a Federal actionable pest. California Dept. of Food and Agriculture, as well as USDA, conducted extensive trace forward and trace backward investigations to control and eradicate the transient occurrence of CGMMV. So far additional phytosanitary requirements have not been imposed by trading partners. 2014 will witness greater inspector training, cooperative outreach and vigilance by all parties involved.

Concurrent to the CGMMV finding was a finding of Bacterial Fruit Botch (BFB) in the same production field of cucurbit seed. BFB is a CA actionable pest but not a Federal actionable pest. Regulatory and industry response was essentially the same as for CGMMV. The committee is supportive of plans to research and develop effective quarantine treatments to clean-up contaminated seeds.

Emerging Diseases Committee Meeting.

Repeated presentations for CGMMV and BFB.
Additional discussion about occurrence of various phomopsis species on spinach seeds.
Research continues to demonstrate certain phomopsis species are saprophytic on the seed and not pathogenic to spinach. Occurrence on spinach seed is a concern however because certain phomopsis species are actionable pests of concern for berries and grapes.

Informal Discussion about greater regulation to prevent the introduction of pest diseases on imported seeds.

Several USDA APHIS staff members, industry experts, ASTA staff and the Director of the CDFA Plant Division (Nick Condos) met to discuss the need for greater regulation of imported seed.

Key points.

- Presently there are few restrictions for importing seeds. Quarantine actions are expensive.
- Large companies are vigilant for seed diseases but smaller companies may not be.
- Trade partners may not have the technology to pre-test if new phytosanitary requirements are imposed.
- Seed Testing rules are old and do not reflect new technology's ability to test for viroids etc..
- Some participants expressed a desire to "open" the Federal Seed Act to make revisions for the "transition" to new technologies that is occurring; thereby addressing the problem.
- Some from industry expressed a desire to use new technologies for disease testing and confirm (+) by field inspections.
- APHIS representatives acknowledged the age of the FSA and that certain changes could possibly be pursued but also encouraged the industry to implement contractual agreements.
- Importing companies should provide seed producers with "clean" seed and receive "clean" seed back.

Lunch with Pat Miller

I provided Pat Miller with a bound copy of AASCO's Accredited Seed Sampler Trainer Program and communicated its potential for addressing the problem of inconsistency between labs via our audit process of accredited Trainers by reviewing samples from certified samplers. I also provided Jennifer Rashet of Monsanto a copy with the same message of how we might assist the efforts to address the problem of inconsistent results between labs.

Respectfully submitted
John Heaton (AASCO)

Seed Health Summit – USDA Bldg. Riverdale MD
July 15-17, 2014

PPQ is scheduling a Seed Health Summit during July 2014. The NPB President would like the regional presidents to identify two regional representatives to attend and represent their regions and the NPB. One individual should be a State Seed Official and the other should be a SPRO.

Please provide the names of your two regional representatives by April 23, 2014.

Goal: Determine what next (regulatory and non-regulatory) steps PPQ and Stakeholders should each take to generally and specifically address the risks of seed-transmitted diseases

Tuesday July 15, 2014

10:00	**National Seed Health System**
	Purpose: To provide an overview of the NSHS and how it could help with the reduction of the risk of seed-transmitted diseases when importing seeds.
	
	Activities:
	Hold several panel discussions so that the background material can be presented from varying points of view:
	• National Seed Health System
	  ○ Discuss origin, purpose, current issues, works well, needs improvement
	  ○ Sampling for testing
	  ○ Testing
	  ○ Sampling for inspection
	  ○ Inspection
	• Binder material: Members, Charter, other write ups?
		Gregg Goodman and Lisa Shepherd, ASTA representative (Stevens, Cucuzza or Wiebe), AOSCA Representative, Chet Boruff, AASCO Representative Helmbrecht, and NPB representative Meyer.

NOXIOUS WEED SEEDS CATEGORIZED AS PROHIBITED OR RESTRICTED IN THE CALIFORNIA SEED LAW

Presented at the Seed Advisory Board Meeting – May 7, 2014
By John Heaton – Sr. Environmental Scientist CDFA Seed Services Program.

SUMMARY

The list of plant species proposed for addition to the noxious weeds list, and the proposed additions of prohibited and restricted weed seeds to the California seed law, were provided to members of the California Seed Advisory Board and known labelers of large amounts of agricultural seeds. In addition, the California Crop Improvement Association, the designated seed certifying agency for California, was consulted about the proposed changes to the lists of prohibited and restricted weed seeds. Recipients were encouraged to distribute the information as wide as possible to interested parties.

Only one large-volume seed labeler, who is respected for his extensive knowledge about weed seed contaminants, replied to the proposed changes. He stated that he reviewed the proposed additions to the list of restricted and prohibited weed seeds in the California Seed Law and did not believe the proposed changes present a problem to labelers.

The California Crop Improvement Association made minor comments about the distribution of three weed species in the state but was supportive of their regulation and the changes.

Since labelers are already required to test and label for noxious weed seeds, the additional restricted and prohibited weed seeds do not present an increased burden. In addition, based on the frequency of occurrence of prohibited and restricted weed seeds in eleven years of regulatory samples, there is only a 0.036% chance (0.4%/11) that a seed lot sold might be subject to enforcement actions. The likelihood of lost sales is extremely low.

DETAILS

The current list of noxious weeds (CCR 4500) contains 156 plant species, nineteen of which are presently designated as prohibited weed seeds in CCR 3854 and 21 of which are designated as restricted weed seeds in CCR 3855. The Primary State Botanist proposes the following:

- Correct or update the nomenclature on 20 species of noxious weeds.
- Add 24 species of to the noxious weeds list (CCR 4500)
    - 16 of which will be prohibited weed seeds in the California Seed Law
    - 8 of which will be restricted weed seeds in the California Seed Law
- 4 noxious weed species that are currently restricted will become prohibited
- The amended list of noxious weed seeds will now contain 181 species of noxious weeds
    - 66 of which will be prohibited weed seeds in the California Seed Law
    - 115 of which will be restricted weed seeds in the California Seed Law

An analysis of 8,400 regulatory seed samples collected and evaluated by staff at the CDFA Seed Laboratory over the last eleven years illustrate the extent of contamination in seed lots by the following categories of weed seeds.

- 1284 seed samples (15%) had one or more weed seeds identified.
- 1467 weed seeds were identified in the 1284 samples.
- 1414 weed seeds (96%) were common weeds, not considered noxious.

- Only 2 regulatory seed samples contained a noxious weed (*Aegilops cylindrical* - jointed goatgrass) that is proposed to be categorized as "prohibited" (0.1% of weeds identified)
- 33 regulatory samples contained noxious weeds that are proposed to be categorized as "restricted". In other words, just 2.6% of the 1284 samples with weed seeds had weeds seeds that will be considered "restricted" if the regulations are approved.
- Only 35 seed samples (33 restricted + 2 prohibited) out of 8400 seed lots tested (~0.4%) during the last twelve years, would be subject to additional enforcement actions due to the presence of the proposed prohibited or restricted noxious weed seeds.

Next Steps.

1. Permits & Regulations will prepare the package for rulemaking and submit to OAL by June 1st
2. Issue formal Advisories about the proposed rule changes.

Historical / Document from Nov 2003

Strategic Planning for Seed Programs

The report of the Joint-Subcommittee of the California Seed Association, the Seed Advisory Board, and the California Department of Food and Agriculture that met on November 17, 2003, was accepted by the Board. Van Skike went on to ask for feedback on the recommendations of the subcommittee. Discussion focused on three key areas: regulatory samples, County Agricultural Commissioners versus State enforcement program, and the role of the State Seed Laboratory (Seed Lab)

Regulatory Samples. Patin asked the question whether the regulatory samples had any value to the industry in light the slow turnaround time for results. Godfrey noted that in the past the industry had requested that the 85% of the seed sold in California be in compliance with the California Seed Law. Samples collected monitor that rate, which is now 86-87% compliant. Matteis observed that the Lab either needs more people to increase turnaround on the sampling or a lower amount of samples to contend with. While some felt the samples had no value and should be eliminated, others felt that the samples play some role in keeping the compliance rate up. Some sampling is needed on a limited basis in order to keep everyone honest. Matteis reiterated some of the recommendations of the subcommittee that called for a reduction in the number of samples, a focus on companies that are not compliant versus companies that have a strong history of compliance, going to hot spots or problem areas, and the need to check all labelers once a year. Godfrey noted that dealers that are required to be licensed should not be overlooked as they sell seed produce outside of California.

Number of official samples was lowered. Resulted in more assessment $.

County Agricultural Commissioners versus State enforcement program. Tingley noted that it would be beneficial to the industry to have the sampling done throughout the year on a more even basis. At this point, the annual subvention of $120,000 to the counties in part if for work that isn't being done properly. Scarlett noted that he would like to see the Seed Services sample/test for compliance rather than the agricultural commissioners' personnel. This would provide more control over as to when samples were collected and provide the control to direct Seed Services staff to hot spots. It was agreed that for the $120,000 the county is paid you could have one or two guys covering the state pulling samples. Godfrey noted that the program currently has four biologists working in the field with the counties; they work in part for the seed program with the other portion of the time assigned to the nursery program. Patin noted that he would not like to see the counties cut out completely because of the other services from the counties, which benefit the seed industry. Williams noted that seed companies pay the counties for some of these services. The Board would like to continue with the review of shifting regulatory sampling from county agricultural commissioners to Seed Services.

Implemented. Counties still receive $120,000

Interestingly CCIA only paid $41K to counties for certification work in 2012.

The role of the State Seed Laboratory. Williams stated that many companies use the Seed Lab to settle disputes (labelers and growers, seed company and seed company, etc.) Patin agreed that the Seed Lab's integrity was second to none and used without question to resolve seed disputes. Godfrey gave a short review of the funding for the Lab and revenue received from service samples. Keithly had stopped using the Seed Lab because of turnaround and wondered if these could be subcontracted out to private laboratories. However, it was noted that the Seed Lab gets many samples that private laboratories do not want to test as they are costly and time consuming. It was also noted that there could be union issues with subcontracting out. Kodira pointed out that, in general, government seed laboratories are shorthanded across the nation. Other state laboratories and the USDA laboratory have asked to subcontract with the California State Seed Laboratory because these laboratories cannot fulfill their load of work; the seed lab has been unable to accept any other work because they are shorthanded themselves. Meyer added that many samples are required to be tested in a state laboratory due to requirements of imposed by other countries. Van Skike affirmed that some people do not have a choice and, as decisions are made about the Seed Lab, the Board needs to understand the impact of those decisions on being able to meet requirements. It was requested that the propose price changes be compared with private laboratory prices. The current prices were established in 1989.

V. True

In summary, the Board requested the following be prepared for review by the Legislative Committee at the California Seed Association annual convention in March:

- Prepare an audit of the State Seed Laboratory: samples, time for different types, and costs. The audit is required in order to make an informed decision and to weight the impacts of outside influences.
- Review current State Seed Laboratory testing priorities.
- Prepare a history of seed complaints filed with Seed Services.

In recent years the lab has prepared numerous work study analyses.

Additional areas that the seed industry as a whole should review at are:

- Should Seed Services begin audits (random spot check) of annual assessments paid by seed companies?
- Should TEAM SEED be eliminated to reduce costs?

Team Seed was eliminated and now county employees do no know hot to obtain representative seed samples.
This is a problem when samples are required for seed health testing or for trace backs and trace forwards as part of quarantines imposed due to pathogens in or on seeds.

Overview of activities conducted by CDFA Seed Services Program

March 18, 2014

Enforcement Activities

Statewide seed law enforcement activities performed by the Seed Services Program include the following:

- **Compliance monitoring throughout the state**
  - Contract county staff to perform label evaluations at dealer and labeler facilities
  - CDFA Environmental Scientists perform random seed sampling and label evaluations in four regions of the state. All are trained in official methods to sample seeds and are also authorized to pull samples for Seed Analysis Certificates or ISTA Certificates issued by the Federal Seed Lab.
  - Verify that chemical treatments on seeds have established tolerances for residues on specific crops
  - Collect and submit ~ 600 regulatory samples to the state seed lab each year for seed analysis.
    - All samples are prepared for blind submission to the state seed lab.
  - Analyze seed laboratory results and notify seed labelers of failures.

- **Direct enforcement throughout the state**
  - Monitor incoming seed shipments reported by CDFA Border Inspectors
    - ~15,000 seed shipments noted per year.
    - 008 Reports issued to county agricultural departments of shipment destinations.
      - Approximately 2 letters per week are sent to OS suppliers about the requirement to obtain authorization to sell seed in CA. We almost always receive a call back.
  - Enforcement letters are sent when county agricultural inspectors find label violations
      - If the violation is severe, the county may issue a stop-sale order
  - Coordinate stop-sale orders with county inspectors and regional CDFA biologists.
  - Coordinate seed complaint investigations with county inspectors and regional CDFA staff.
  - Send renewal notifications, delinquent notifications and cancellations
  - Automated review of reported sales amounts and assessments paid.
    - Request explanations for significant reductions in reported sales
    - Request explanations for discrepancies between reported sales and amount of seed observed in commerce.
    - Conduct audits when necessary
  - Coordinate investigations of unauthorized sales of seed.
  - Write investigate reports of unauthorized propagations and sales of varieties protected by PVP.
  - Coordinate investigations about misrepresentations of Certified Seed.
  - Investigate and sample plantings believed to contain patented traits (AB541) – none to date.

Administrative Activities

Statewide administrative duties performed by the Seed Services Program include:

- **Financial**
  - Monitor the overall financial status of the Seed Services statewide program
    - Reconcile collections via monthly revenue reports submitted to the CDFA Financial Services Unit.
    - Prepare and approve purchase order requests for Program needs
    - Write justifications for purchases and travel.
    - Review monthly budget reports prepared by the CDFA Financial Services.

- Prepare projections of expenditures and revenue for Board review and approval.
- After budget approval, prepare proposed spending plans for CDFA Financial Services.
- Prepare mid-year and 3rd quarter projections for Financial Services.

- **Personnel/Staffing**
  - Ensure staffing is maintained at adequate levels and employees receive training.
    - Prepare necessary documents to hire qualified applicants including:
      - position justifications
      - duty statements
      - freeze exemption requests
  - Interview and hire qualified applicants.
  - Provide objective evaluations of staff performance.
  - Approve Merit Salary Adjustments
  - Monitor and provide adequate safety training to all staff.

- **Seed Subvention Payment to Counties**
  - Prepare separate Memorandum of Understanding for each county
    - Determine scope of work based on registered labelers in each county.
    - Measure completed work by tallying Report 6s from each county.
    - Based on work completed by all counties, allocate funds and propose payment to each county.
    - Submit completed invoices to Financial Services for payment to counties.
- **Award Grants for Research and Understanding of Seed Biotechnology**
  - Draft and submit for approval a multiyear grant for research and outreach about seed biotechnology.
  - Monitor progress of grant recipient toward fulfillment of grant terms
    - Provide and track incremental payments of grant

- **Administer alternative dispute resolution process for seed complaints.**
  - Coordinate seed complaint investigations with CDFA regional biologists and county agricultural commissioners.
  - Correspond with complainants and respondents about the seed complaint process.
  - Recruit Investigative Committee to review details and investigative findings of the seed complaint.
  - Prepare a report of findings by the Investigative Committee and document their recommendation to the Secretary.
  - Arrange for mediation if mediation is requested by participants.
  - Document and release complaint.

- **Seed Advisory Board**
  - Serve as Secretary to the Seed Advisory Board
    - Prepare meeting agendas and public meeting notices in a timely manner.
    - Prepare minutes of each meeting.
    - Prepare public notices of Board vacancies.
    - Prepare correspondence from the Board Chairman.

- Present credentials of candidates and nominations to the Secretary for Board appointment.
- Assist Board members with travel expense claims and arrange for timely reimbursement of expenditures incurred to attend Board meetings.

- **Attend Meetings - outreach**
  - Attend industry meetings to report on issues of interest to the industry or new regulations.
    - California Seed Association's midyear and annual meetings.
    - American Seed Trade Association meetings
    - County Agricultural Commissioner meetings (CACASA)
    - Deputy Agricultural Commissioner meetings
    - Association of American Seed Control Official meetings
      - Assist with development of methods and alternative systems
    - California Crop Improvement Association Board meetings
    - Miscellaneous Department and industry meetings

- **Legislative Analysis**
  - Perform legislative analysis of any proposed legislation related to seed.
  - Perform legislative analysis of revised legislation related to seed.
  - Meet with industry or legislative staff about proposed seed related legislation
  - Attend legislative hearings when requested by CDFA Executive Administration.

Overview of activities conducted by the CDFA Seed Laboratory

SEED LABORATORY 13016 **May 7, 2014**

REVENUE ACCOUNT - AG FUND CONDITION REPORT

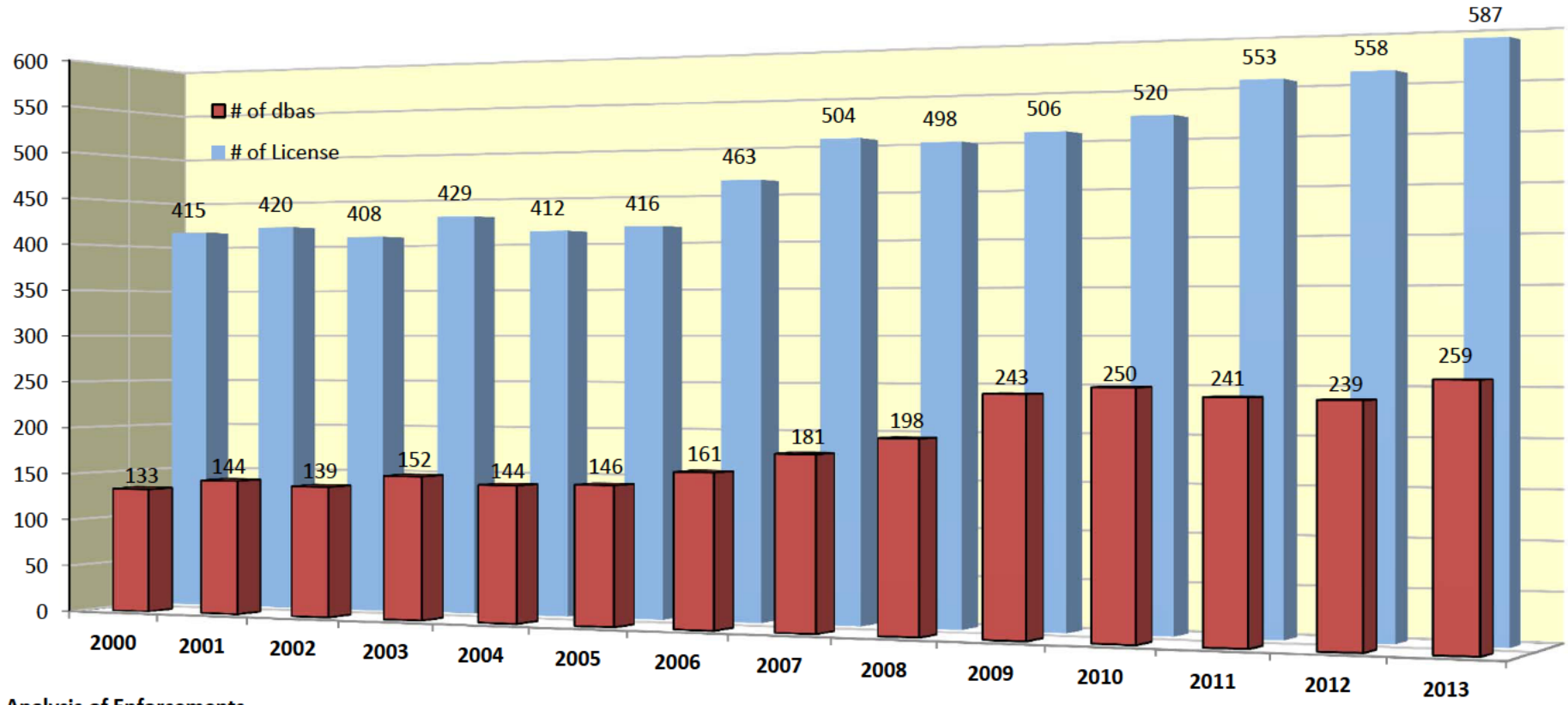
	PPY 2011/12 Estimate	PY 2012/13 Estimate	CY 2013/14 Projection	2014/15 Projection	2015/16 Projection
CASH BALANCE FORWARD	**125,451**	**161,657**	**157,883**	**128,240**	**119,200**
Uncleared revenue (suspense)	0	0	0	0	0
Transfer between codes		-19,402			
Controller Transfers	0	0	0	0	0
BEGINNING CASH BALANCE	**125,451**	**142,255**	**157,883**	**128,240**	**119,200**
Prior Yr Expenditures - Adjustment	-2,578	58	-4,895	-7,415	-3,708
Prior Prior Yr Expenditures - Adjustment	-34	732	-69	210	210
ADJUSTED CASH BALANCE	**122,839**	**143,045**	**152,919**	**121,035**	**115,702**
REVENUE					
Testing Fees & Services	38,818	24,050	18,033	27,000	27,000
Miscellaneous	0	0	0	0	0
TOTAL REVENUE COLLECTED	38,818	24,050	18,033	27,000	27,000
TOTAL CASH BALANCE (AG FUND)	**161,657**	**167,095**	**170,952**	**148,035**	**142,702**
EXPENDITURES (Ag Fund)					
Plant Lab Bond Debt **	0	0	40,000	24,860	0
Seed Lab Ag Fund: salary	0	0	0	0	0
Other	0	9,212	2,712	3,975	5,300
TOTAL PROGRAM EXPENDITURES (per SUS Rpt)	0	9,212	42,712	28,835	5,300
BALANCE (ENDING RESERVE)	**161,657**	**157,883**	**128,240**	**119,200**	**137,402**
AG TRUST FUND	14,496	14,554	14,602	14,639	14,676
Interest	58	48	37	37	37
TOTAL AG TRUST FUND (RESERVE)	**14,554**	**14,602**	**14,639**	**14,676**	**14,713**

California Department of Food and Agriculture
Seed Laboratory
Plant Pest Diagnostic Center - Budget
July 1, 2014 - June 30, 2015

Personnel Services		Amount
Permanent Salaries		$268,034
Benefits		$127,155
	Total Personnel Services	**$395,189**
Operating Expenses and Equipment		
General Expense	*Laboratory supplies,*	$4,800
Printing	*Office copier expense*	$1,515
Communications*	*Office phones*	$2,650
Postage/Freight*	*Overnight mail and postage*	$2,267
Travel / In-State		$2,000
Travel / Out-of-State		
Training		$680
Facilities Operations/Utilities*	*Includes electrical, gas, garbage, sewer, janitorial, landscaping, security, fire, enironmental control, HVAC and all building equipment*	$108,000
Inter departmental charges IT *		$46,190
Cons/Prof Serv-external	*CASS contract, two scientists, two scientific aides*	$75,000
Indirect Costs - Division*	*Support to Plant Division*	$21,322
Departmental Services*	*Contracts, purchasing, financial services*	$57,638
Information Technology Supplies*	*IT supplies, toner, paper*	$6,000
Central Admin Services*	*HR & Admin charges*	$1,208
Lab Equipment Repairs	*Calibration and balancing of microscopes & other equipement*	$10,000
Other Items of Expense	*Ag Supplies, Chem, drugs, lab supplies, DGS electrical, equipment install*	$5,553
	Total Operating Expenses and Equipment	**$344,823**
	TOTAL PROGRAM BUDGET	**$740,012**

*16% of total laboratory costs

Number of Firms Authorized to Sell Seed in California



Analysis of Enforcements

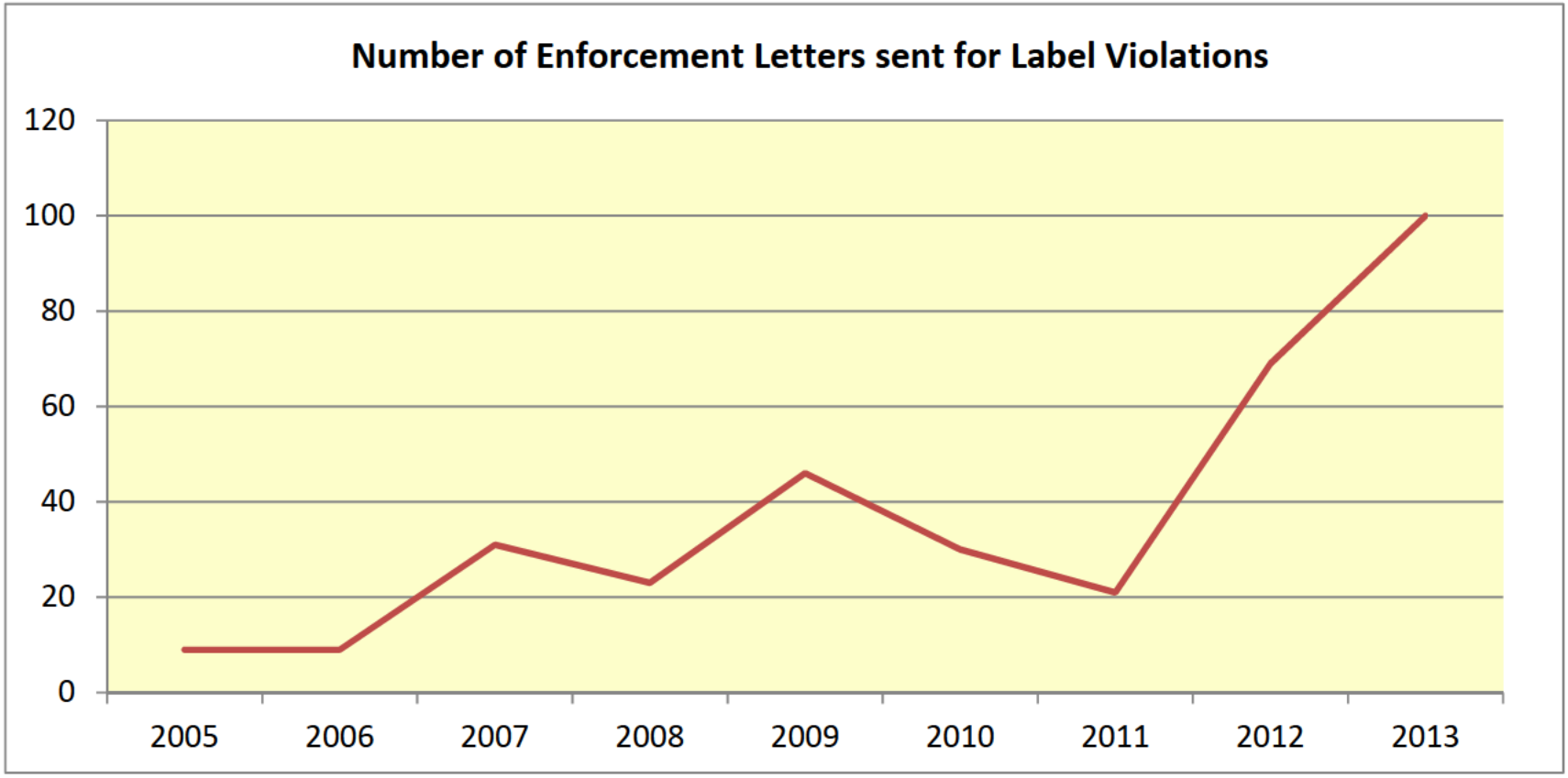
415 firms authorized to sell in 2000 versus 587 firms authorized to sell in 2013. Enforcement efforts resulted in 41% increase (4.6% inc./yr since 2005.)

DBAs 133 firms identified in 2000 versus 259 DBAs identified in 2013. Enforcement efforts resulted in 77% increase for DBAs (9% inc./yr since 2005.)

Combined 548 firms names identified in 2000 versus 797 identified in 2013. Enforcement efforts resulted in 54% increase. (6% inc./yr since 2005.)

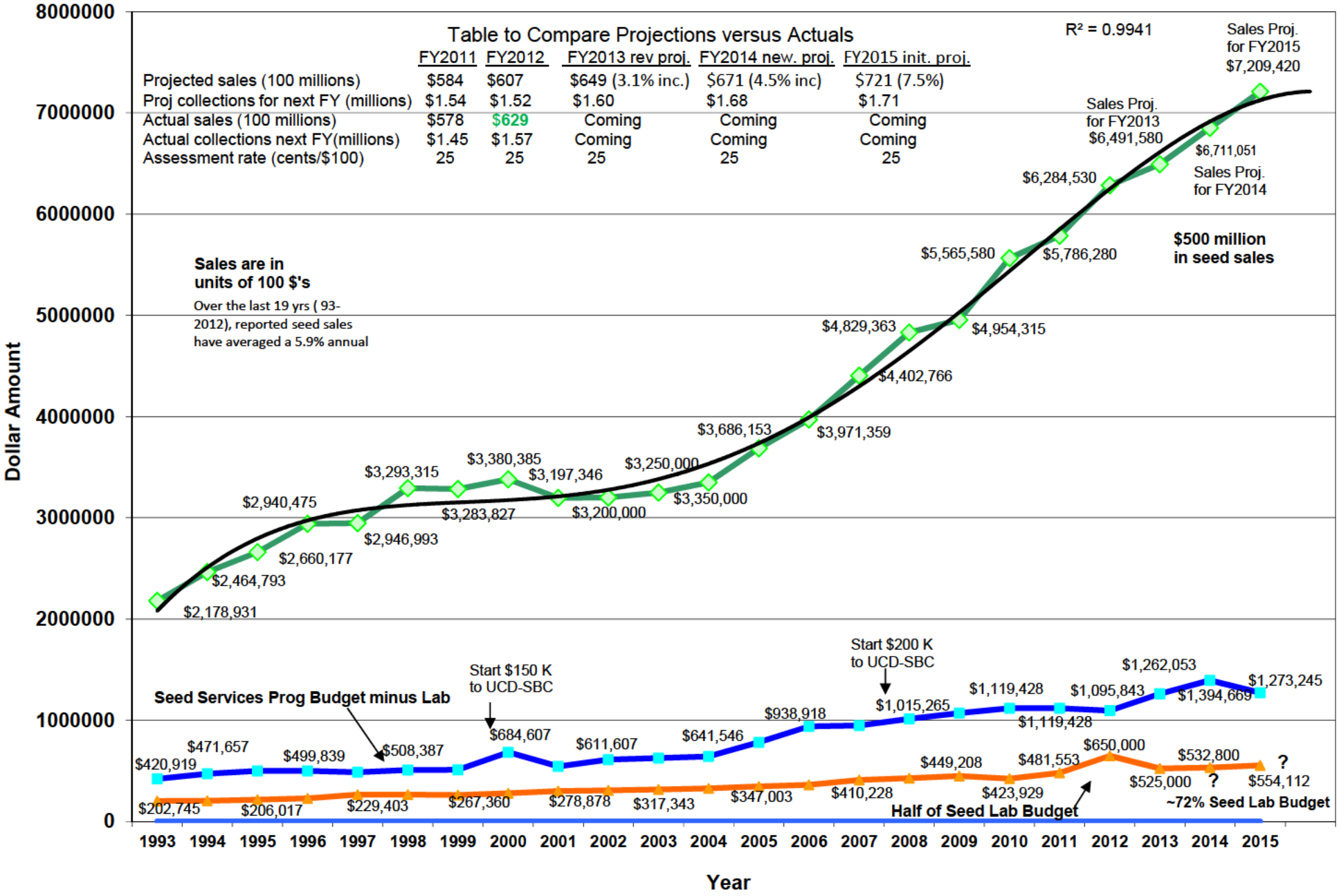
Direct Benefit of Enforcements

More orderly market. Better protection to the reputation of the industry and to the consumer. Conceivably one-third of the firms selling seed in CA in 2005 were not registered, not being inspected and not paying into the program. Approximately one-third of the seed complaints during that time period were against firms selling seeds without authorization. Enforcements have brought more firms into the program and allowed the SAB to recommend two decreases in the assessment rate representing a combined reduction in the assessment fee of 23%. Equally important has been the increased awareness of consequence for violation of the seed law.



Fiscal Year	2005	2006	2007	2008	2009	2010	2011	2012	2013
Label Violations	9	9	31	23	46	30	21	69	100

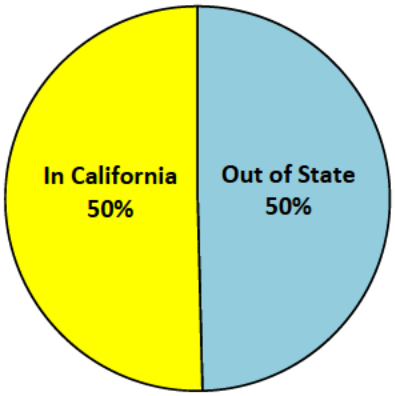
20 Year Comparison: Reported Seed Sales (scaled) versus the Seed Services Budget versus the Seed Lab Budget



Who is Selling Seeds in CA and Collecting the Assessments?

Presented May 7, 2014 – Seed Advisory Board Meeting
By John Heaton, Sr. Environmental Scientist – CDFA Seed Services Program

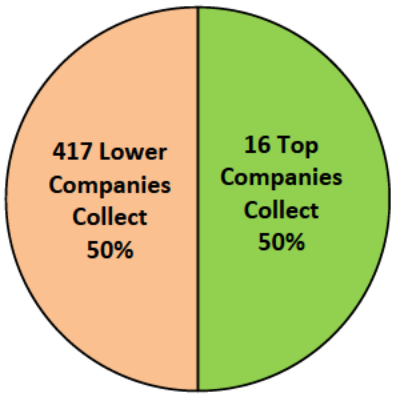
Analysis of Location for Firms Authorized to Sell Seeds in CA in FY



n = 438

Note: Some firms are authorized to sell but are exempt from collecting

Analysis of Assessment Collections on Seed Sales in CA during FY 2012



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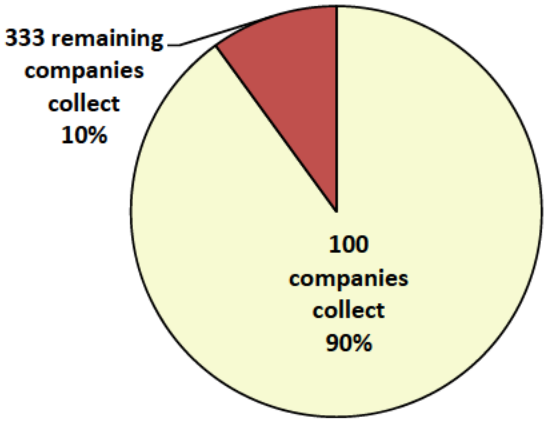
Top 100 Companies collected 90% of assessments in FY 2012



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Proposed Budget for FY 2015

SEED SERVICES PCA 15551 — SAB Mtg. May 7, 2014

	PPY 2011/2012 per 4/29/2013	PY FY2012/13 EOY Proj	CY FY2013/14 EOY Proj	Approved FY 2014 / 2015 SAB 5/7/2013	Proposed FY 2015/2016 SAB 5/7/2014	
Permanent Sal	305,982	297,869	307,870	376,197	378,627	1
Temporary Help Sal	7,039	8,284	8,233	0	9,000	
Staff Benefits	142,674	145,100	154,807	169,218	174,151	2
Sal Sav	0	0	0	0	0	
Salary & Benefit Recovery	6,234	-1,537	6,485	0	0	3
TOTAL PERSONAL SERVICES	**461,929**	**449,716**	**477,395**	**545,416**	**561,778**	
General Expenses	5,023	8,158	3,975	10,000	6,005	4
Printing	1,234	650	1,706	605	605	
Communications	4,797	5,845	5,310	5,808	5,808	
Postage	1,653	1,519	2,250	2,118	2,118	5
Insurance-Vehicles	1,274	956	674	1,815	1,815	6
Travel In-State	13,630	13,679	13,846	12,100	12,100	7
Travel Out-of-State	1,024	1,074	1,610	16,176	11,725	8
Training	25	260	1,294	1,000	1,000	
Facilities	29,589	27,390	24,485	51,999	28,512	
Utilities	472	505	498	726	726	
Cons & Prof	446	137	3,095	3,500	3,000	9
Data Processing	0	0	0	0	0	
Interdeptl Charges	0	0	0	0	0	
Division - Indirect	26,943	29,575	37,652	30,742	39,535	10
Dept. - Indirect - Exec/Admin	74,457	65,190	67,522	85,825	72,509	
Legal Svs-Indirect	0	0	0	0	0	
Production Services - Direct	0	0	0	0	0	
Plant IT	1,061	27,626	27,655	58,174	37,818	11
Centralized Svs	1,338	1,135	1,430	1,815	1,815	
Other Interdeptl Charges	0	0	0	0	0	
Pro Rata	51,541	49,078	49,078	60,000	52,394	12
Equipment	22,952	11,698	24,000	54,000	20,528	13
Misc. Ag. Services	0	0				14
Field Expenses/Agri Supplies	4,125	1,513	1,579	750	750	15
Vehicle Operations	9,309	10,853	12,126	12,100	12,705	16
Other Misc. Charges (PY Expend & neg 24c)	34,612	2,046	0	0	0	17
Subtotal Oper Exp/Equip	285,505	258,887	279,785	409,253	311,467	
Ag Commissioners	120,000	120,000	120,000	120,000	120,000	18
Research Contracts UCD SBC	200,000	200,000	200,000	200,000	200,000	19
Seed Laboratory	496,400	650,000	525,000	532,800	554,112	20
TOTAL OPER EXP/EQUIP	**1,101,905**	**1,228,887**	**1,124,785**	**1,262,053**	**1,185,579**	
TOTAL BUDGET w Personnel & Benefits	**$1,563,834**	**$1,678,603**	**$1,602,180**	**$1,807,469**	**$1,747,357**	21
	PY 11/12 Projection	CY 12/13 EOY Proj.	FY 13/14 May 3, 2012 Approved	FY 14/15 Proposed Budget	FY 15/16 Proposed Budget	
versus Previously approved by Seed Advisory Board	$1,714,600	$1,577,396	$1,739,326	$1,807,469	$1,747,357	
% of Approved Budget Expended	used 91% of proj	used 106% of proj	est. EOY use 92%	not occurred	not occurred	

FUND CONDITION FOR SEED SERVICES

	PPY 2011/2012 EOY Estimate	PY 2012/2013 EOY Estimate	CY 2013/2014 EOY Estimate	2014/2015 Static Column Approved 5/3/2012	Projection for 2015/2016 Fund Condition
BEGINNING CASH BALANCE	**$ 1,799,441**	**$ 1,846,680**	**$ 1,672,346**	**$ 1,618,914**	**$ 1,485,348**
REVENUE CATEGORIES	had 28 cent assessment rate on sales in FY2010	had 25 cent assessment rate on sales in FY2011	had 25 cent assessment rate on sales in FY2012	With assessment at 25 cents /$100 sales made in 2013	With assessment at **25 cents /$100** sales made in 2014
Assessment $	1,576,648	1,446,570	1,542,158	1,601,122	1,677,763
Miscellaneous	1,102	1,888	1,331	200	200
License Fees	22,280	22,360	23,520	23,000	23,520
Penalties	9,773	12,185	7,917	10,000	9,958
Interest	6,508	4,945	1,094	3,000	4,182
Interest from Infrfund Loan	333	222	71	500	209
TOTAL REVENUE	**1,616,644**	**1,488,170**	**1,576,091**	**1,637,822**	**1,715,832**
Reimbursement 224c - Admin	31,786	25,527	25,443	36,081	36,081
PY & PPY Adjustments and Encumberances	(37,357)	(9,428)	(52,787)	-	-
TOTAL RESOURCES before Expenditures	**$3,410,514**	**$3,350,949**	**$3,221,094**	**$3,292,817**	**$3,237,261**
EXPENDITURES					Newly projected for FY2015
Seed Services	747,434	708,603	757,180	954,669	873,245
Seed Laboratory	496,400	650,000	525,000	532,800	554,112
Ag Commissioners	120,000	120,000	120,000	120,000	120,000
UCD SBC	200,000	200,000	200,000	200,000	200,000
TOTAL EXPENDITURES (BUDGET)	**$1,563,834**	**$1,678,603**	**$1,602,180**	**$1,807,469**	**$1,747,357**
ENDING CASH BALANCE (Resources - Expenditures)	**$1,846,680**	**$1,672,346**	**$1,618,914**	**$1,485,348**	**$1,489,904**
AG TRUST FUND	132,670	133,205	133,638	134,071	134,504
Interest	535	433	433	433	433
ENDING AG TRUST (RESERVE)	**$133,205**	**$133,638**	**$134,071**	**$134,504**	**$134,937**
Notes of Interest					
Reserve Calculation: The amount required to keep in balance = 1/4 budget (expenditures)	$390,959	$419,651	$400,545	$451,867	$436,839
Number of Licenses	557	569	588	575	588
Reported Value of Seed Sold PY in CA	$563,088,571	$582,014,337	$628,453,036	$640,448,800	$671,105,200
Assessment Rate	0.28	0.25	0.25	0.25	0.25
	6.8% inc sales value	3.5% inc sales value	8% inc in sales value	used 19 yr graph	used 20 yr graph
Projections versus Actuals	**FY 11/12**	**FY 12/13**	**FY 13/14**	**FY 14/15**	**FY 15/16**
Approved by Board at Prior Meetings	$1,714,600	$1,557,396	$1,739,326		
Estimated Total Expenditure	$1,563,834	$1,678,603	$1,602,180	$1,807,469	$1,747,357
Difference SAB Approv-Proj Expend	$150,766	**($121,207)**	$137,146		
% of approved budget spent	91% of SAB Approv	106% of init approv.	92% of init approv.	Not yet occurred	Not yet occurred

During the meeting, the Board chose not to accept the proposal to provice $200,000 for Ag Commissioners in 2015 but left the amt at $120,000 as in stature trhough 2015. The Board also chose to augment funding for the lab in FY2014 from $500,000 to new amount of $532,800

California Department of Food and Agriculture
Plant Health and Pest Prevention Services
Pest Exclusion Branch
Nursery, Seed and Cotton Program
(916) 654-0435 ***FAX (916) 651-1207***

03/14

SEED ADVISORY BOARD

INDUSTRY - Field Seed		**Term of Office**
(1)	Janice Woodhouse 22012 Stateline Road Tulelake, CA 96134 (530) 667-2031 *FAX (530) 667-2034*	April 1, 2012- March 31, 2015
(2)	Marc Meyer 590 Brunken Avenue, Suite F Salinas, CA 93901 (831) 754-3813 *FAX (831) 754-3816*	April 1, 2013- March 31, 2016
(3)	Paul Frey 38001 County Road 27 Woodland, CA 95695 (530) 666-3331 *FAX (530) 666-5317*	April 1, 2013- March 31, 2016
(4)	John McShane 1415 E. 6th Street Los Angeles, CA 90021 (213) 626-9668 *FAX* (312*) 626-4920*	April 1, 2014 - March 31, 2017
INDUSTRY - Vegetable Seed		
(5)	Bob Prys 22673 S. Elm Ave Riverdale, CA 93656 (559) 923-1800 *FAX (559) 923-1802*	April 1, 2012 - March 31, 2015
(6)	Greg Orsetti P.O. Box 2350 Hollister, CA 2350 (831) 636-4822 *FAX (831) 636-4814*	April 1, 2014 - March 31, 2017
(7)	Kelly Keithly P.O. Box 177 Holtville, CA 92250-1156 (760) 356-5533 *FAX (760) 356-2409*	April 1, 2013 - March 31, 2016
(8)	William White P.O. Box 6108 Oxnard, CA 93031 (805) 983-4923 *FAX (805)983-1282*	April 1, 2014 - March 31, 2017
(9)	George Hansen P.O. Box 294 Salinas, CA 93902-0294 (831) 758-9869 *FAX (831) 757-4550*	April 1, 2014 - March 31, 2017
PUBLIC		
(10)	Larry Hirahara 749 College Drive Salinas, CA 93901 (831)-757-7976 *FAX* (831) *775-0805*	April 1, 2012 – March 31, 2015
(11)	Michael Campbell P.O. Box 7 Clarksburg, CA 95612 (916) 744-1540	April 1, 2014 - March 31, 2017